

EOG Resources, Inc.
P.O. 1910
Vernal, UT 84078

June 20, 2005

Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

RE: APPLICATION FOR PERMIT TO DRILL
EAST CHAPITA 7-16
NE/SE, SEC. 16, T9S, R23E
UINTAH COUNTY, UTAH
LEASE NO.: ML-47045
UTAH STATE LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone: (435)789-4120
Fax: (435)789-1420

Sincerely,



Ed Trotter
Agent
EOG Resources, Inc.

Attachments

RECEIVED

JUL 01 2005

DIV. OF OIL, GAS & MINING

001

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL		5. MINERAL LEASE NO: ML-47045	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: EOG RESOURCES, INC.		9. WELL NAME and NUMBER: EAST CHAPITA 7-16	
3. ADDRESS OF OPERATOR: P.O. BOX 1815 CITY VERNAL STATE UT ZIP 84078		PHONE NUMBER: (435) 789-0790	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2081' FSL, 834' FEL AT PROPOSED PRODUCING ZONE: SAME		10. FIELD AND POOL, OR WILDCAT: 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 16 9S 23E S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 23.4 MILES SOUTHEAST OF OURAY, UTAH		12. COUNTY: UINTAH	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 834'	16. NUMBER OF ACRES IN LEASE: 640	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) SEE TOPO MAP "C"	19. PROPOSED DEPTH: 9,075	20. BOND DESCRIPTION: JP-0921	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5048.3 FEET GRADED GROUND	22. APPROXIMATE DATE WORK WILL START: 7/20/2005	23. ESTIMATED DURATION: 45 DAYS	

24.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
17 1/2"	13 3/8" H-40 48.0#	45	SEE 8 POINT PLAN
12 1/4"	9 5/8" J-55 36.0#	2,300	SEE 8 POINT PLAN
7 7/8"	4 1/2" N-80 11.6#	9,075	SEE 8 POINT PLAN

25.

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- | | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) **Ed Trotter**TITLE **Agent**

SIGNATURE _____

DATE **6/20/2005**

(This space for State use only)

API NUMBER ASSIGNED: _____

**Approved by the
Utah Division of
Oil, Gas and Mining**

Date: **6-26-05**

(See Instructions on Reverse Side)

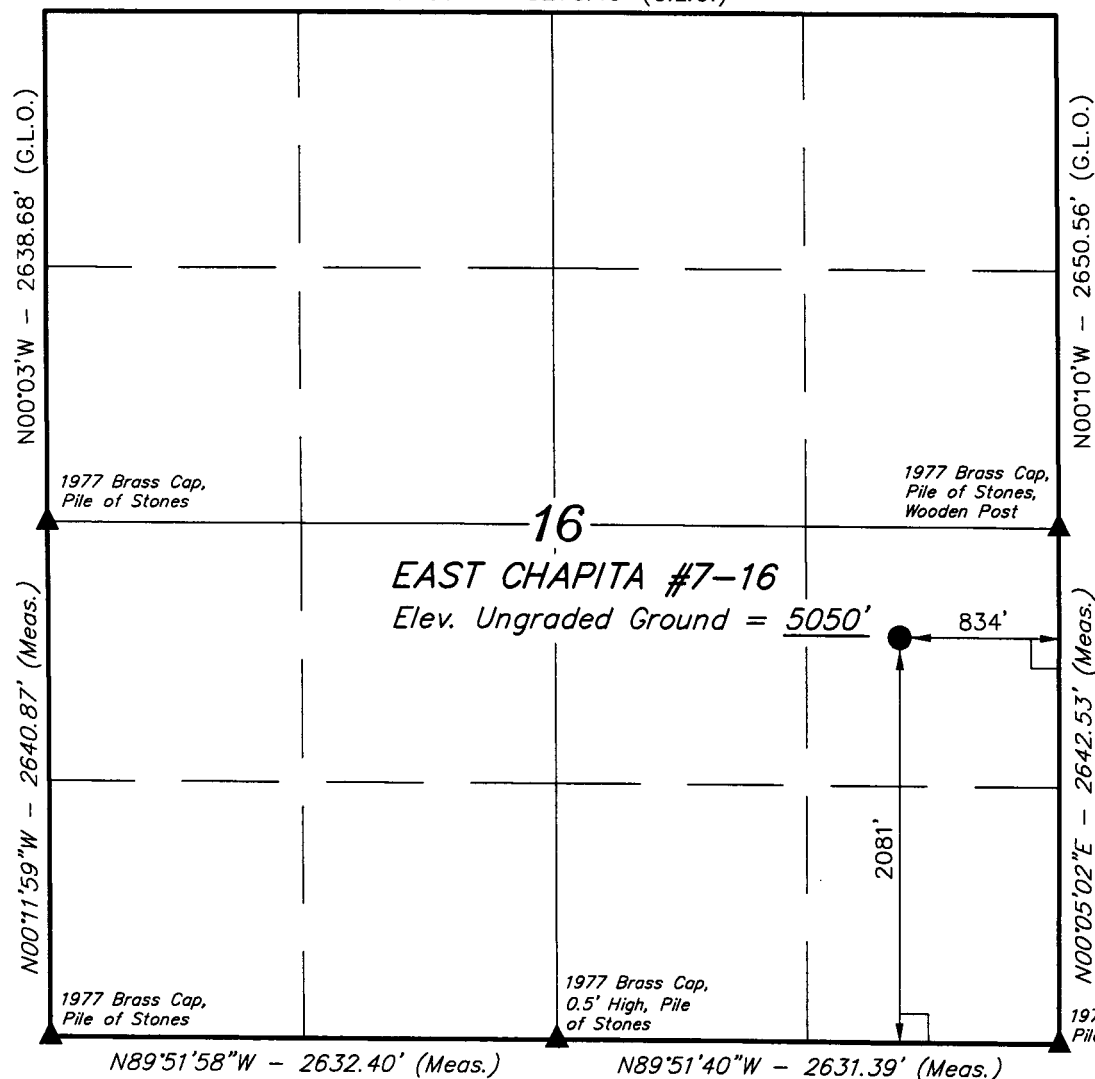
By: _____

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JUL 01 2005

DIV. OF OIL, GAS & MINING

T9S, R23E, S.L.B.&M.

N89°58'W - 5273.40' (G.L.O.)



LEGEND:

└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)

LATITUDE = 40°02'03.82" (40.034394)

LONGITUDE = 109°19'31.75" (109.325486)

(NAD 27)

LATITUDE = 40°02'03.94" (40.034428)

LONGITUDE = 109°19'29.31" (109.324808)

EOG RESOURCES, INC.

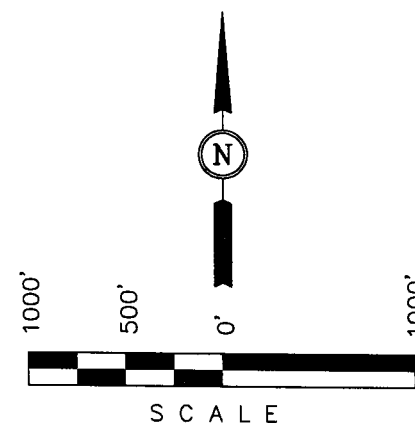
Well location, EAST CHAPITA #7-16, located as shown in the NE 1/4 SE 1/4 of Section 16, T9S, R23E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

[Signature]

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 05-27-05	DATE DRAWN: 06-02-05
PARTY T.B. B.C. P.M.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN
EAST CHAPITA 7-16
NE/SE, SEC. 16, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Green River	1,730'
C-Zone	2,055'
Mahogany Oil Shale Bed	2,420'
Middle Carb Bed	3,170'
Castle Peak MBR	4,300'
Uteland Butte MBR	4,550'
Wasatch	4,664'
Chapita Wells	5,256'
Buck Canyon	5,954'
North Horn	6,584'
Island	6,954'
KMV Price River	7,092'
KMV Price River Middle	7,740'
KMV Price River Lower	8,428'
Sego	8,864'

Estimated TD: 9,075' or 200'± below Sego top

Anticipated BHP: 4,955 Psig

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>RATING FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
12-1/4"	0' – 2,300'KB±	2,300'±	9-5/8"	36.0#	J-55	ST&C	2020 Psi	3520 Psi	394,000#
7-7/8"	2,300'± – TD	9,075±	4-1/2"	11.6#	N-80	LT&C	6350 Psi	7780 Psi	223,000#

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

EIGHT POINT PLAN
EAST CHAPITA 7-16
NE/SE, SEC. 16, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

Float Equipment: (Cont'd)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (50± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD. Cased hole evaluation logs will be run in lieu of open hole logs.

EIGHT POINT PLAN
EAST CHAPITA 7-16
NE/SE, SEC. 16, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead: 410 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19 gps water.

Tail: 650 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note: Number of sacks is based on gauged hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

EIGHT POINT PLAN
EAST CHAPITA 7-16
NE/SE, SEC. 16, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

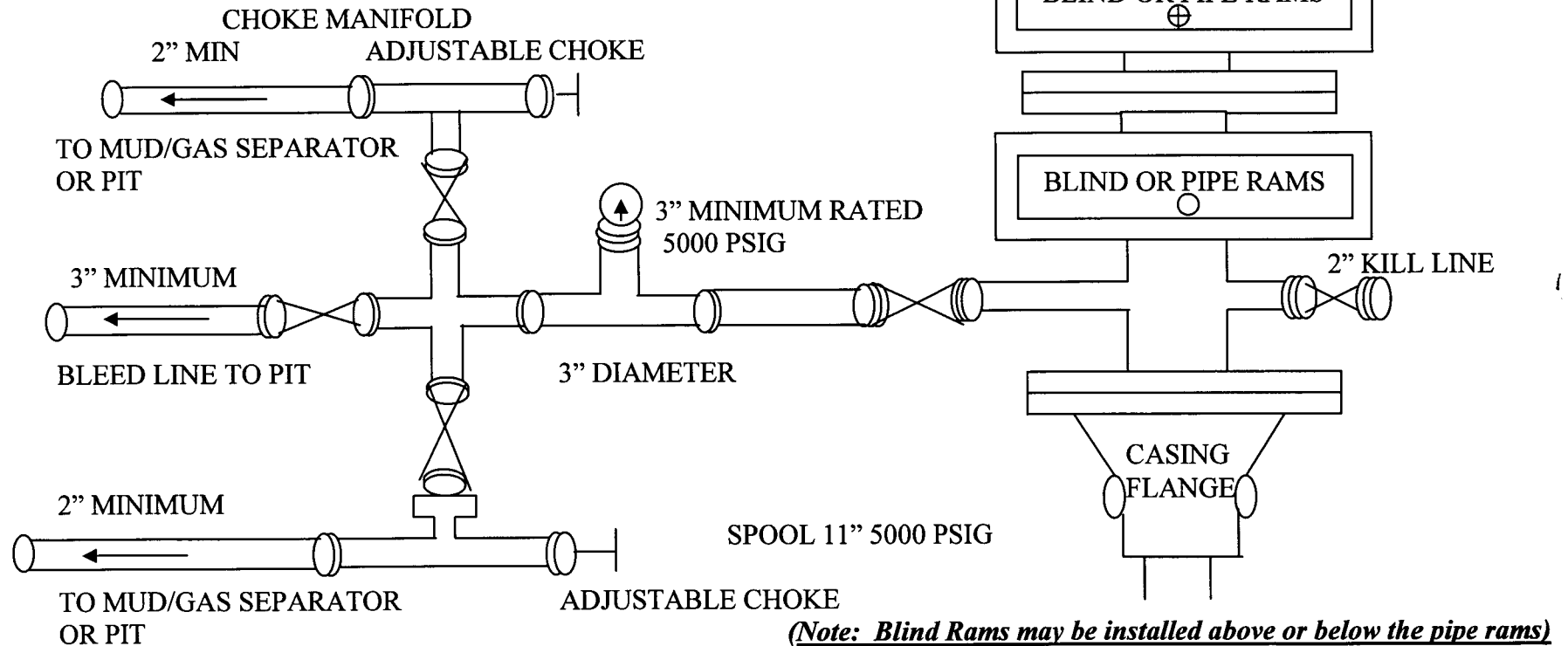
(Attachment: BOP Schematic Diagram)

5000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 5000 PSIG RATED.
CASING FLANGE IS 11" 5000 PSIG RATED.
BOPE 11" 5000 PSIG

TESTING PROCEDURE:

1. BOPE's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind & Pipe rams will be tested to rated working pressure, 5000 psig.
3. Annular preventor will be tested to 50% of working pressure, 2500 psig.
4. Casing will be tested to 0.22 psi/ft. or 2500 psig. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be pressure-tested to the same pressure as blind & pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 5000 psig BOPE specifications.



EOG RESOURCES, INC.

EAST CHAPITA #7-16 SECTION 16, T9S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY THEN EASTERLY DIRECTION APPROXIMATELY 4.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 54.5 MILES.

**CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL**

Company/Operator: EOG Resources, Inc.
Well Name & Number: East Chapita 7-16
Lease Number: ML-47045
Location: 2081' FSL & 834' FEL, NE/SE, Sec. 16,
T9S, R23E, S.L.B.&M.,
Uintah County, Utah

Surface Ownership: STATE OF UTAH

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to spudding the well.

Casing String and Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related Equipment Tests - twenty-four (24) hours prior to running casing and tests.

First Production Notice - within five (5) business days after new Well begins or production resumes after Well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 23.4 miles southeast of Ouray, Utah - See attached TOPO Map "A" .
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 0.1 miles in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

All travel will be confined to existing access road Right-of-Way. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service Publication: Surface Operating Standards For Oil & Gas Exploration and Development, (1989).

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Diverting water off at frequent intervals by means of cutouts shall prevent erosion of drainage ditches by

run off water. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION**

A. Abandoned wells - 2*

B. Producing wells - 1*

(*See attached TOPO map "C" for location)

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. **ON WELL PAD**

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of well head valves, separator, dehy, 210 Bbl condensate tank, meter house and attaching piping.
2. Gas gathering lines - A 4" gathering line will be buried from dehy to the edge of the location.

B. **OFF WELL PAD**

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. A 4" OD steel above ground natural gas pipeline will be laid approximately 3098' from proposed location to a point in the SE/SE of Section 16, T9S, R23E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses State of Utah administered lands, thus a Right-of -Way grant will be required.
3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

The production facilities will be placed on the East side of the location.

5. **LOCATION & TYPE OF WATER SUPPLY**

- A. Water supply will be from the Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Section 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. **SOURCE OF CONSTRUCTION MATERIAL**

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

7. **METHODS OF HANDLING WASTE DISPOSAL**

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge.

8. **ANCILLARY FACILITIES**

- A. No airstrips or camps are planned for this well.

9. **WELLSITE LAYOUT**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the Southeast corner of the location.
The flare pit will be located downwind of the prevailing wind direction on the South side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled topsoil will be stored between Corners #2 and #8.

Access to the well pad will be from the West.

Corners #2 & #8 will be rounded off to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

11. SURFACE OWNERSHIP

Access road: State of Utah

Location: State of Utah

12. OTHER INFORMATION

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used.
- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING AGENT

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Telephone: (435)789-4120
Fax: (435)789-1420

DRILLING OPERATIONS

Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

Certification

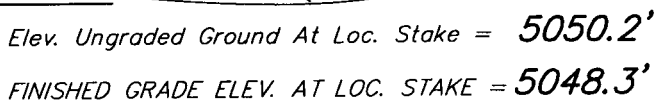
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

6-20-2005
Date

Ed Trotter
Agent

FIGURE #1

EAST CHAPITA #7-16
SECTION 16, T9S, R23E, S.L.B.&M.
2081' FSL 834' FEL



UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

EOG RESOURCES, INC.

FIGURE #2

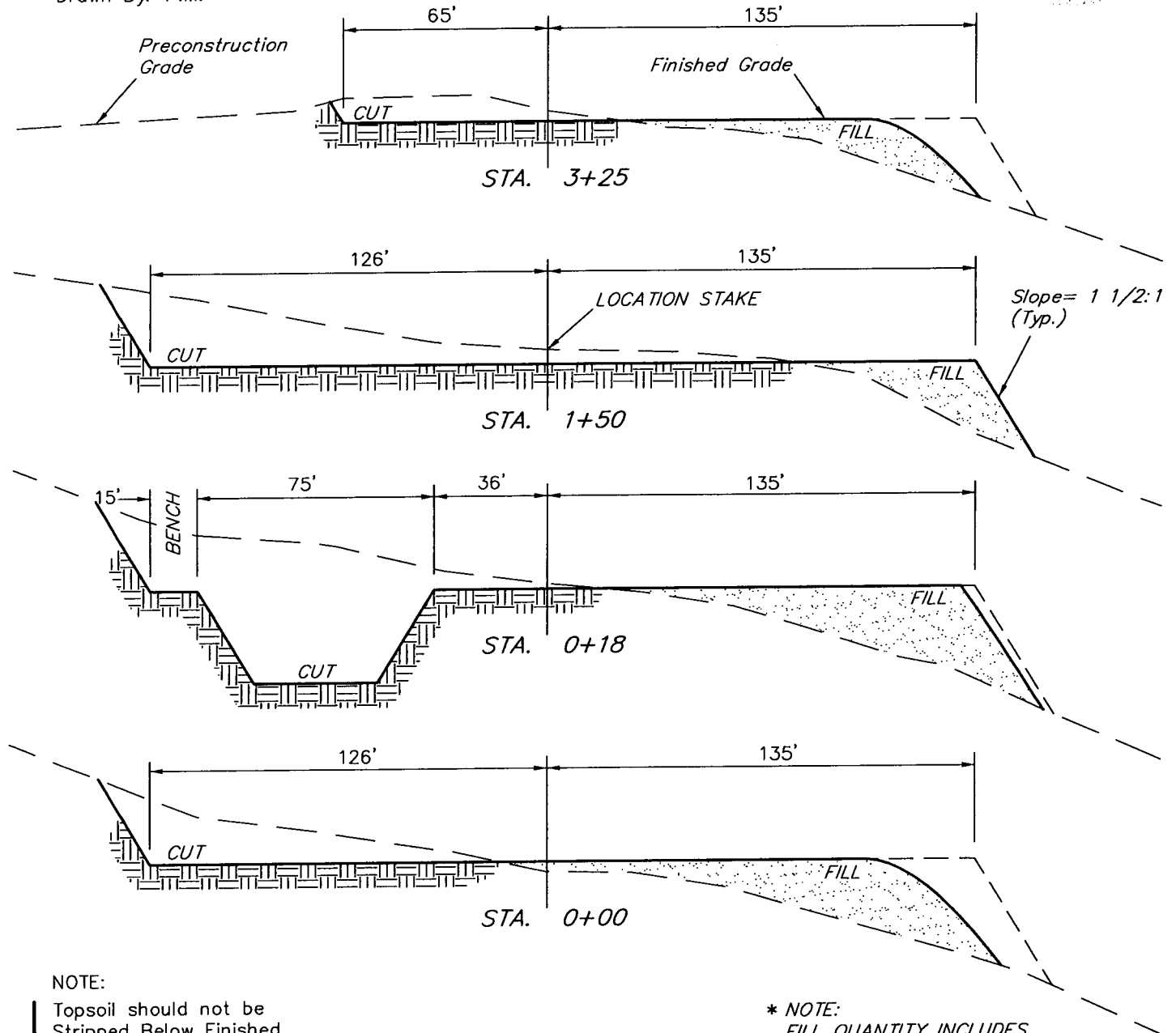
TYPICAL CROSS SECTIONS FOR

EAST CHAPITA #7-16
SECTION 16, T9S, R23E, S.L.B.&M.
2081' FSL 834' FEL

[Handwritten Signature]

1" = 20'
X-Section
Scale
1" = 50'

DATE: 06-02-05
Drawn By: P.M.



NOTE:

Topsoil should not be
Stripped Below Finished
Grade on Substructure Area.

* NOTE:

FILL QUANTITY INCLUDES
5% FOR COMPACTION

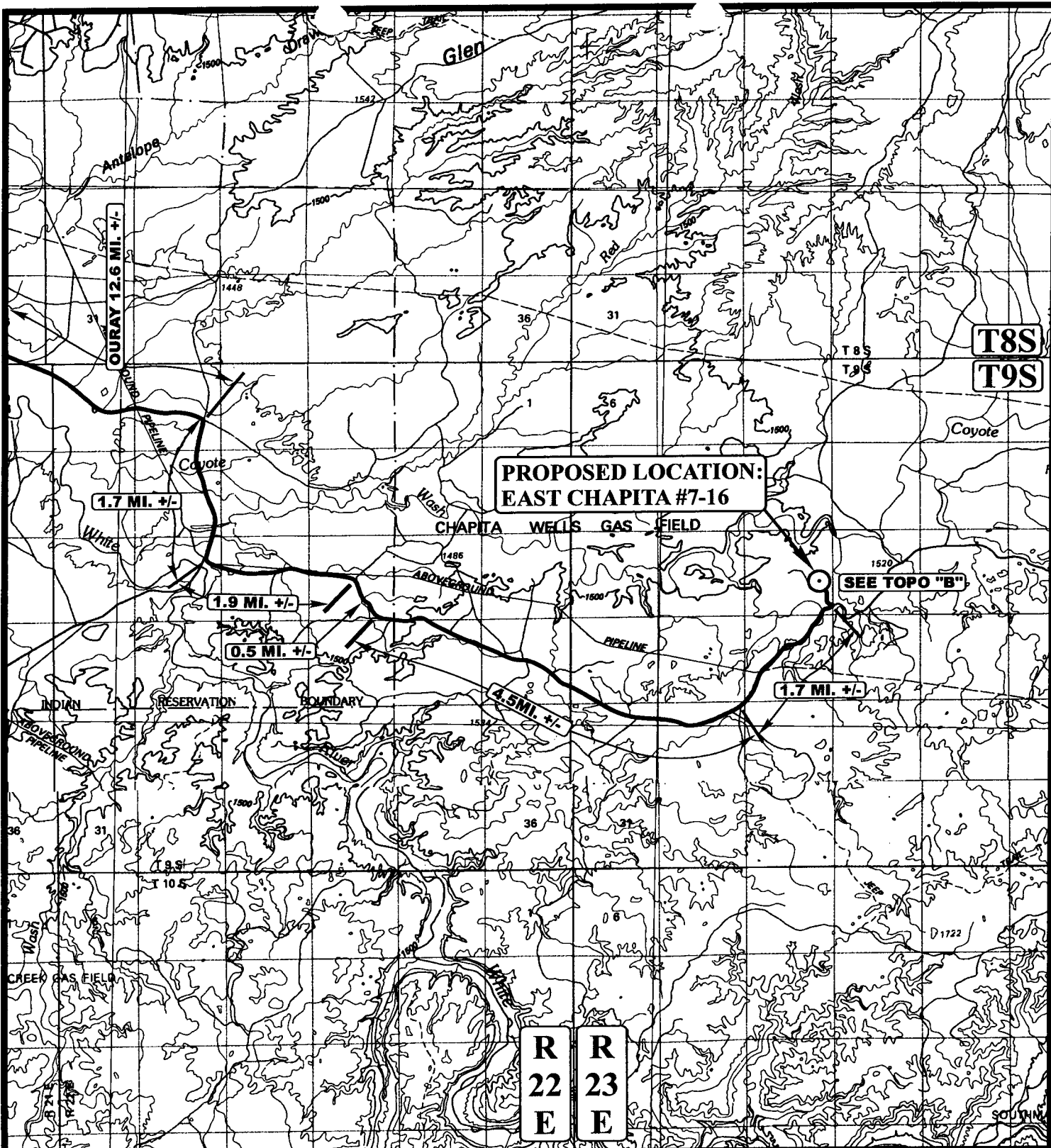
APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 1,780 Cu. Yds.
Remaining Location = 9,770 Cu. Yds.

TOTAL CUT = 11,550 CU.YDS.
FILL = 8,110 CU.YDS.

EXCESS MATERIAL = 3,440 Cu. Yds.
Topsoil & Pit Backfill = 3,440 Cu. Yds.
(1/2 Pit Vol.)
EXCESS UNBALANCE = 0 Cu. Yds.
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

○ PROPOSED LOCATION

N



EOG RESOURCES, INC.

EAST CHAPITA #7-16
SECTION 16, T9S, R23E, S.L.B.&M.
2081' FSL 834' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

06 03 05
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: S.L. REVISED: 00-00-00



EOG RESOURCES, INC.
EAST CHAPITA #7-16
LOCATED IN UTAH COUNTY, UTAH
SECTION 16, T9S, R23E, S.L.B.&M.

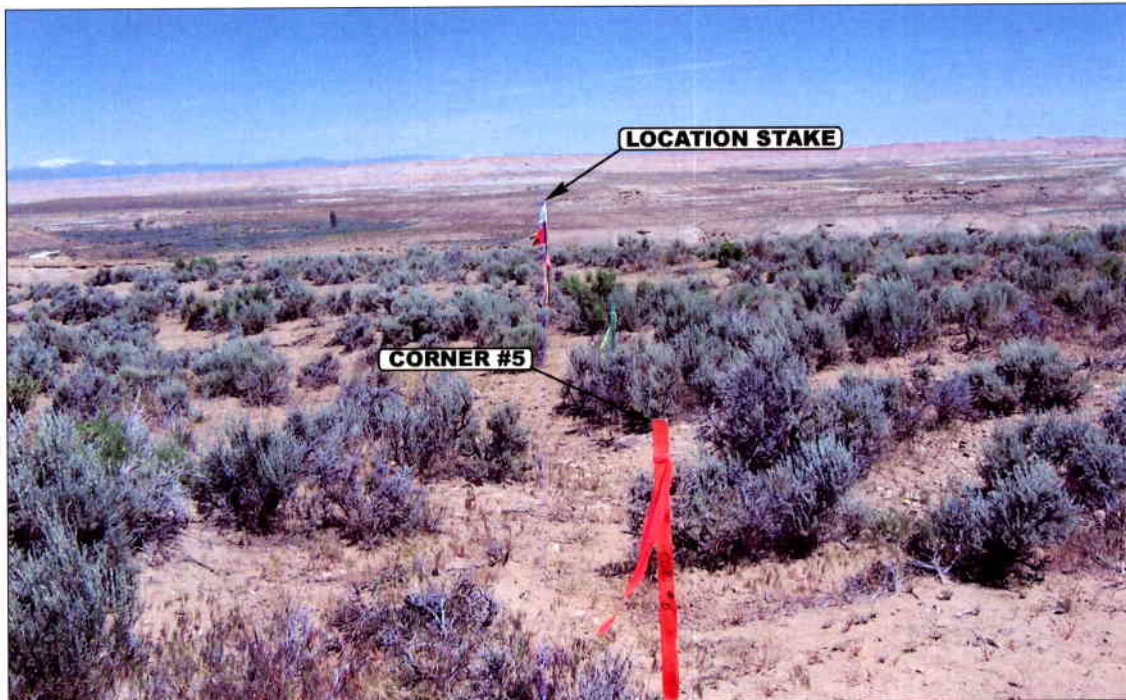


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

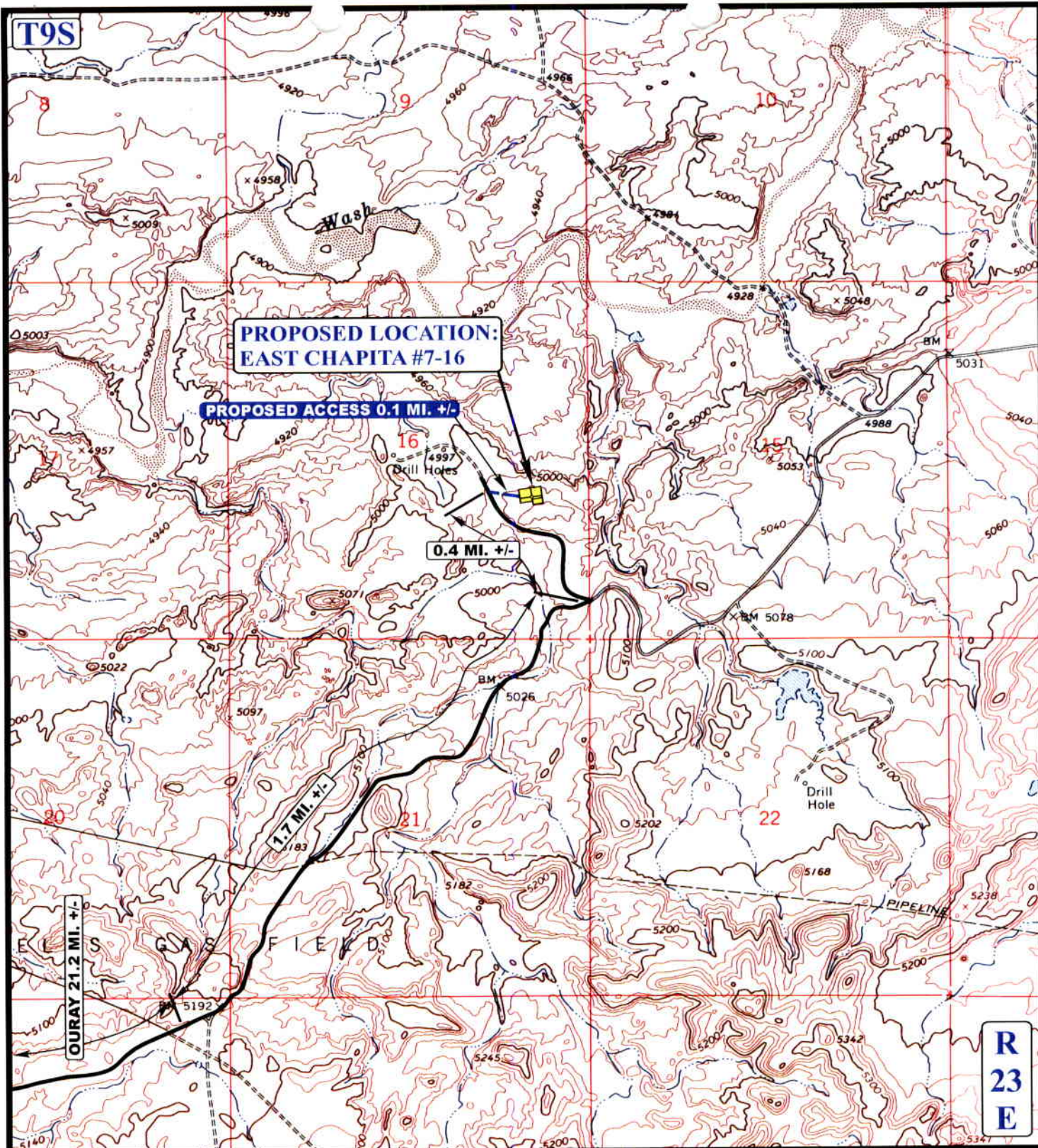
06 03 05
MONTH DAY YEAR

PHOTO

TAKEN BY: T.B.

DRAWN BY: S.L.

REVISED: 00-00-00



LEGEND:

— EXISTING ROAD
 - - - PROPOSED ACCESS ROAD

EOG RESOURCES, INC.

**EAST CHAPITA #7-16
 SECTION 16, T9S, R23E, S.L.B.&M.
 2081' FSL 834' FEL**



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

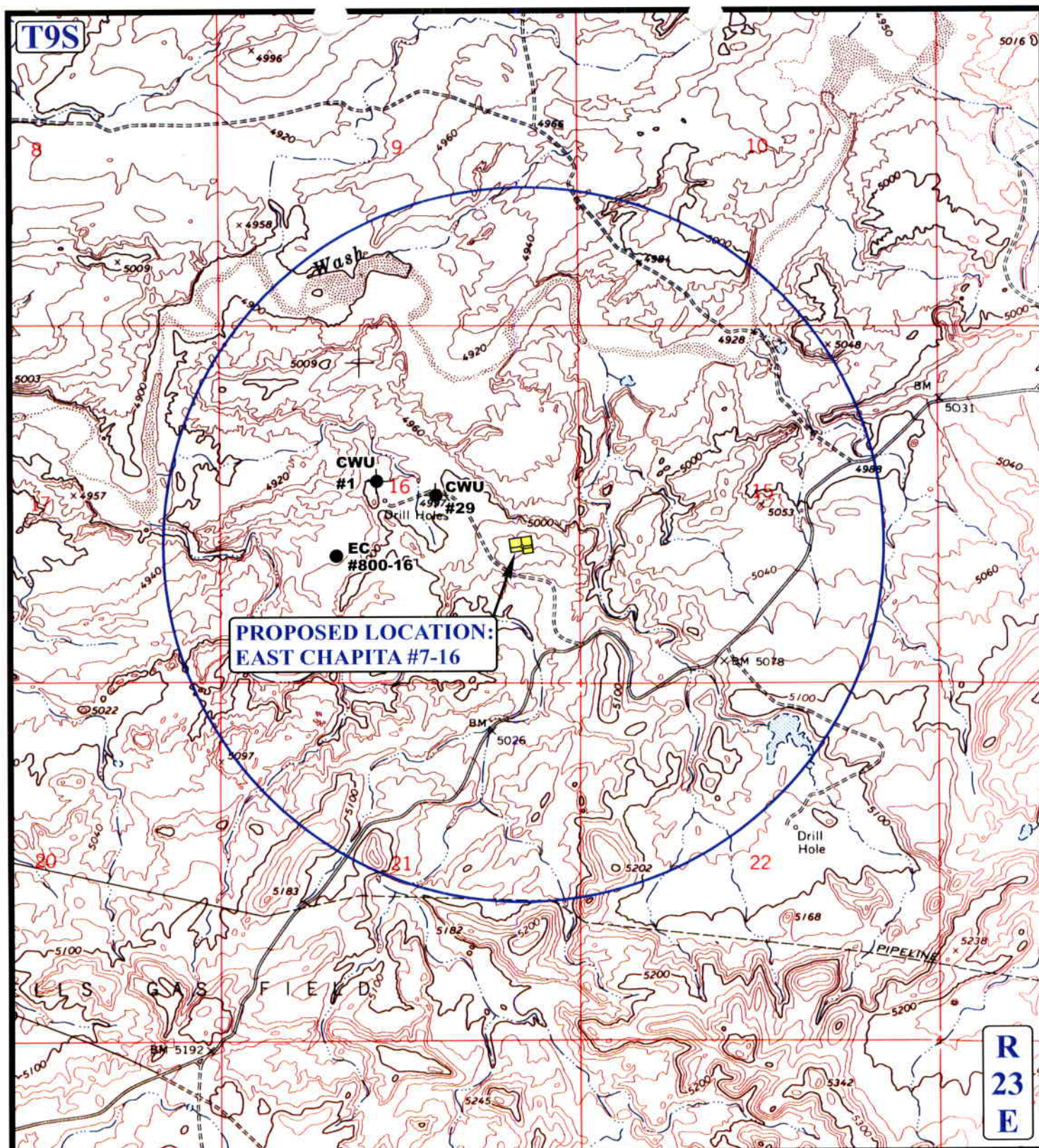


**TOPOGRAPHIC
 MAP**

06 03 05
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: S.L. REVISED: 00-00-00







**B
 TOPO**



T9S

R
23
E

LEGEND:

- | | |
|---|---|
|  DISPOSAL WELLS |  WATER WELLS |
|  PRODUCING WELLS |  ABANDONED WELLS |
|  SHUT IN WELLS |  TEMPORARILY ABANDONED |

EOG RESOURCES, INC.

EAST CHAPITA #7-16
SECTION 16, T9S, R23E, S.L.B.&M.
2081' FSL 834' FEL

TOPOGRAPHIC
MAP

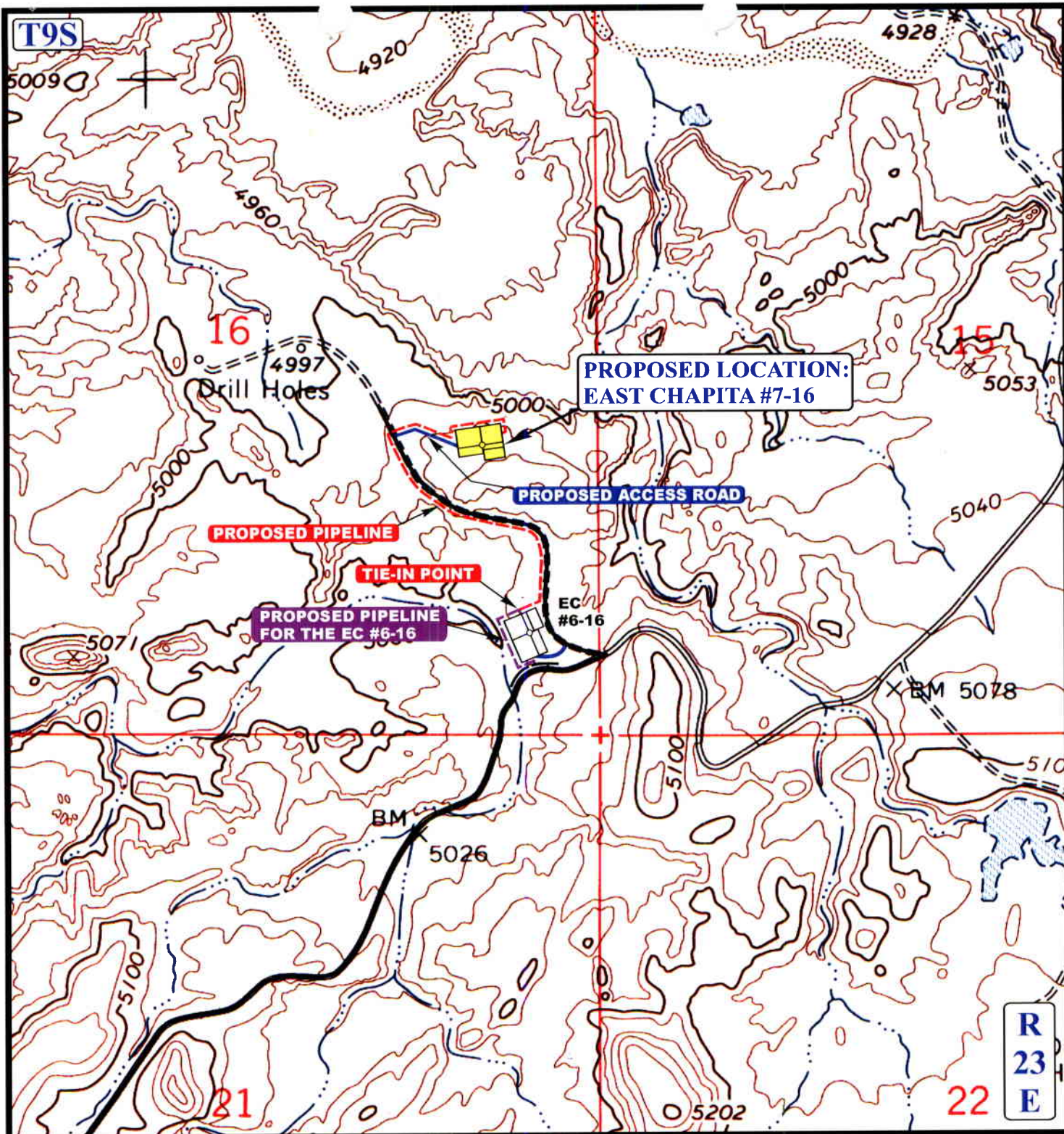
06 03 05
MONTH DAY YEAR

SCALE: 1" = 2000'	DRAWN BY: S.L.	REVISED: 00-00-00
-------------------	----------------	-------------------

C
TOPO



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



APPROXIMATE TOTAL PIPELINE DISTANCE = 3,098' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- - - - PROPOSED PIPELINE
- - - - PROPOSED PIPELINE (SERVICING OTHER WELLS)



EOG RESOURCES, INC.

**EAST CHAPITA #7-16
SECTION 16, T9S, R23E, S.L.B.&M.
2081' FSL 834' FEL**



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

06 03 05
MONTH DAY YEAR

SCALE: 1" = 1000'

DRAWN BY: S.L.

REVISED: 00-00-00



003

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 07/01/2005

API NO. ASSIGNED: 43-047-36814

WELL NAME: E CHAPITA 7-16

OPERATOR: EOG RESOURCES INC (N9550)

CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

NESE 16 090S 230E

SURFACE: 2081 FSL 0834 FEL

BOTTOM: 2081 FSL 0834 FEL

UINTAH

NATURAL BUTTES (630)

LEASE TYPE: 3 - State

LEASE NUMBER: ML-47045

SURFACE OWNER: 3 - State

PROPOSED FORMATION: PRRV

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	Died	8/5/05
Geology		
Surface		

LATITUDE: 40.03445

LONGITUDE: -109.3248

RECEIVED AND/OR REVIEWED:

☒ Plat

☒ Bond: Fed[] Ind[] Sta[] Fee[]
 (No. 16196017)

☒ Potash (Y/N)

☒ Oil Shale 190-5 (B) or 190-3 or 190-13

☒ Water Permit
 (No. 49-1501)

☒ RDCC Review (Y/N)
 (Date: _____)

☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

____ R649-2-3.

Unit _____

☒ R649-3-2. General
 Siting: 460 From Qtr/Qtr & 920' Between Wells

____ R649-3-3. Exception

____ Drilling Unit

Board Cause No: _____

Eff Date: _____

Siting: _____

____ R649-3-11. Directional Drill

COMMENTS:

Needs Permit (07-20-05)

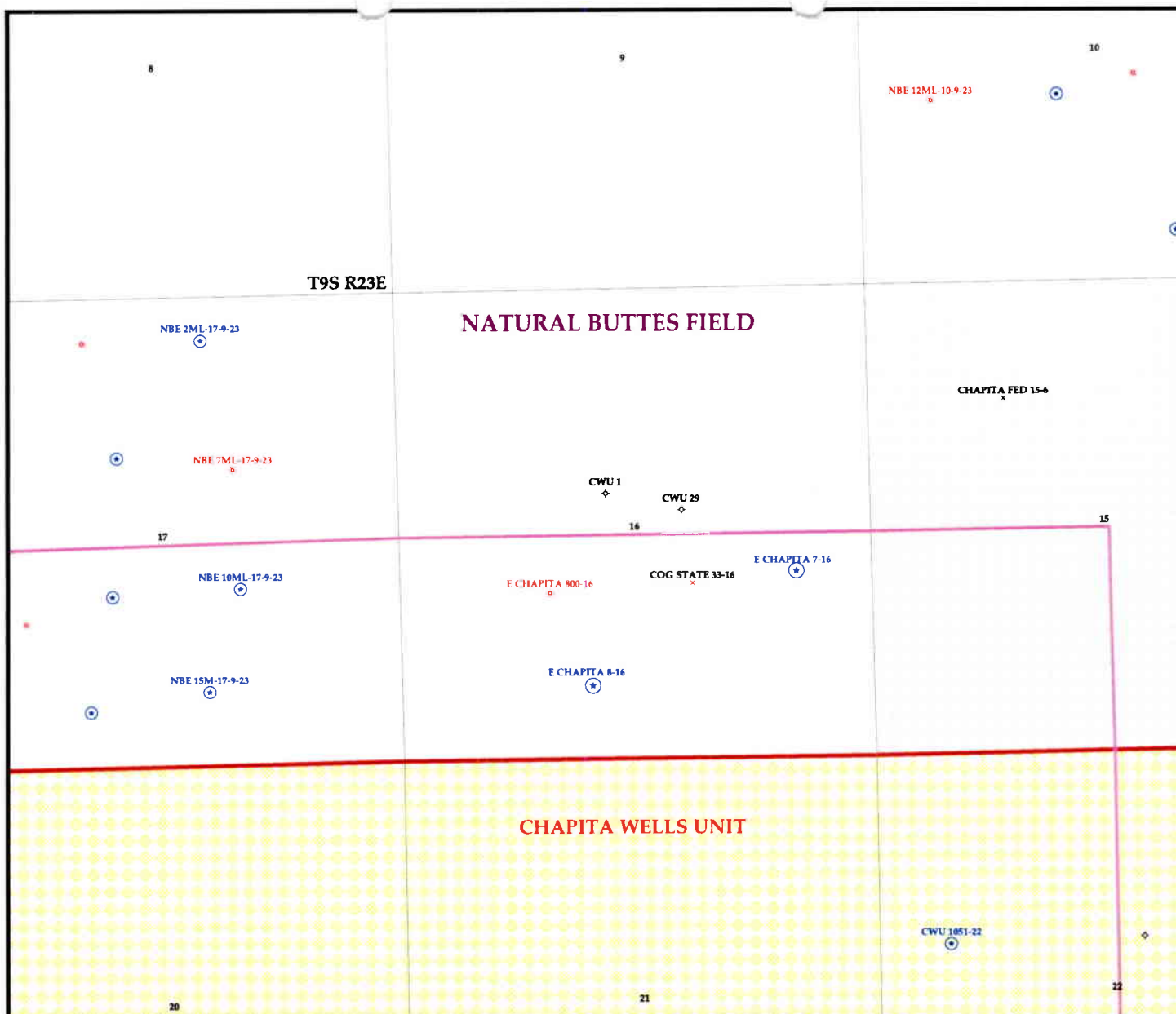
STIPULATIONS:

1- Spacing Strip

2- STATEMENT OF BASIS

3- Surface Csg Cont Strip

4- Cont Strip # 3 - 4 1/2" production string Cont'd back to 2300' as indicated



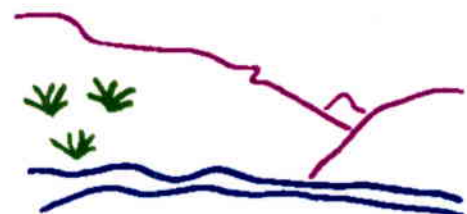
OPERATOR: EOG RESOURCES INC (N9550)

SEC: 16 T. 9S R. 23E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 1-JULY-2005

Wells

- ⬮ GAS INJECTION
- ⬮ GAS STORAGE
- × LOCATION ABANDONED
- ⊕ NEW LOCATION
- ⬮ PLUGGED & ABANDONED
- ⬮ PRODUCING GAS
- PRODUCING OIL
- ⬮ SHUT-IN GAS
- ⬮ SHUT-IN OIL
- × TEMP. ABANDONED
- TEST WELL
- ⬮ WATER INJECTION
- ⬮ WATER SUPPLY
- ⬮ WATER DISPOSAL

Units.shp

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Fields.shp

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

OPERATOR: EOG RESOURCES
WELL NAME & NUMBER: EAST CHAPITA #7-16
API NUMBER: 43-047-36814
LOCATION: 1/4,1/4 SE/SW Sec: 16 TWP: 9S RNG: 23 E 834' FEL 2081' FSL

Geology/Ground Water:

EOG proposes to set 45 feet of conductor and 2,300 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 1,000 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this location is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The proposed surface casing should adequately protect any near surface aquifers.

Reviewer: Brad Hill **Date:** 07/28/05

Surface:

The predrill investigation of the surface was performed on 07/20/05. Surface and minerals for this well are owned by the State of Utah. S.I.T.L.A. and D.W.R. were notified of this investigation on 07/13/05 Neither had a representative present. This site appears to be the best location in the immediate area for drilling a well.

Reviewer: Floyd Bartlett **Date:** 07/22/2005

Conditions of Approval/Application for Permit to Drill:

None.

surrounding area. —

WASTE MANAGEMENT PLAN:

Drilled cuttings will be settled into reserve pit. Liquids from pit will be allowed to evaporate. Formation water will be confined to storage tanks. Commercial contractor will handle sewage facilities, storage and disposal. Trash will be contained in trash baskets and hauled to an approved landfill.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None.

FLORA/FAUNA: Big sagebrush, cheatgrass, shadscale, halogeton, annual peppergrass, annual mustard. Cattle, antelope coyote rodent and birds.

SOIL TYPE AND CHARACTERISTICS: light brown silty sandy loam with some weathered surface stone.

EROSION/SEDIMENTATION/STABILITY: Very little natural erosion. Sedimentation and stability are not a problem and location construction shouldn't cause an increase in stability or erosion problems.

PALEONTOLOGICAL POTENTIAL: None OBSERVED

RESERVE PIT

CHARACTERISTICS: 150' by 75' and 12' deep.

LINER REQUIREMENTS (Site Ranking Form A attached) A pit liner is not required.

SURFACE RESTORATION/RECLAMATION PLAN

As per SITLA requirements.

SURFACE AGREEMENT: As per SITLA requirements

CULTURAL RESOURCES/ARCHAEOLOGY: Completed buy MOAC.

OTHER OBSERVATIONS/COMMENTS

The site appears to be the best location for a well in the immediate area. This pre-drill investigation was conducted on a hot, sunny day.

ATTACHMENTS

Photos of this site were taken and placed on file.

FLOYD BARTLETT
DOGM REPRESENTATIVE

07/20/05; 2:00 PM

DATE/TIME

**Evaluation Ranking Criteria and Ranking Scale
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

Final Score 15 (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.





ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: EOG RESOURCES

WELL NAME & NUMBER: EAST CHAPITA #7-16

API NUMBER: 43-047-36814

LEASE: ML-47045 **FIELD/UNIT:** Natural Buttes

LOCATION: 1/4, 1/4 SE/SW Sec: 16 TWP: 9S RNG: 23 E 834' FEL 2081' FSL

LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4, 1/4 LINE; 920 F ANOTHER WELL.

GPS COORD (UTM): 4432715 Y 642935 X **SURFACE OWNER:** SITLA

PARTICIPANTS

Floyd Bartlett (DOGM), Ed Trotter (EOG)

REGIONAL/SETTING TOPOGRAPHY

Site is on a broad sagebrush covered ridge top with a large valley to the north that contains the Bonanza power plant. Sandstone outcrops create ledges around the rim of the ridge to the north. The drainage is a sub drainage of Coyote Wash which drains into the White River. The White River is about 5 miles to the southwest. The location is 24.1 miles south east of Ouray, UT.

SURFACE USE PLAN

CURRENT SURFACE USE: Livestock grazing, hunting.

PROPOSED SURFACE DISTURBANCE: The dimensions of the location are 325' by 200' which does not include a portion of the reserve pit or the topsoil and spoils storage. Access to the site will be over 0.1 mile of new road leading off an existing oilfield service road. The location is an alternate location to make best use of the topography in the immediate area.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: See attached map from GIS data base.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All production facilities will be on location and added after drilling well. Pipeline will follow access road.

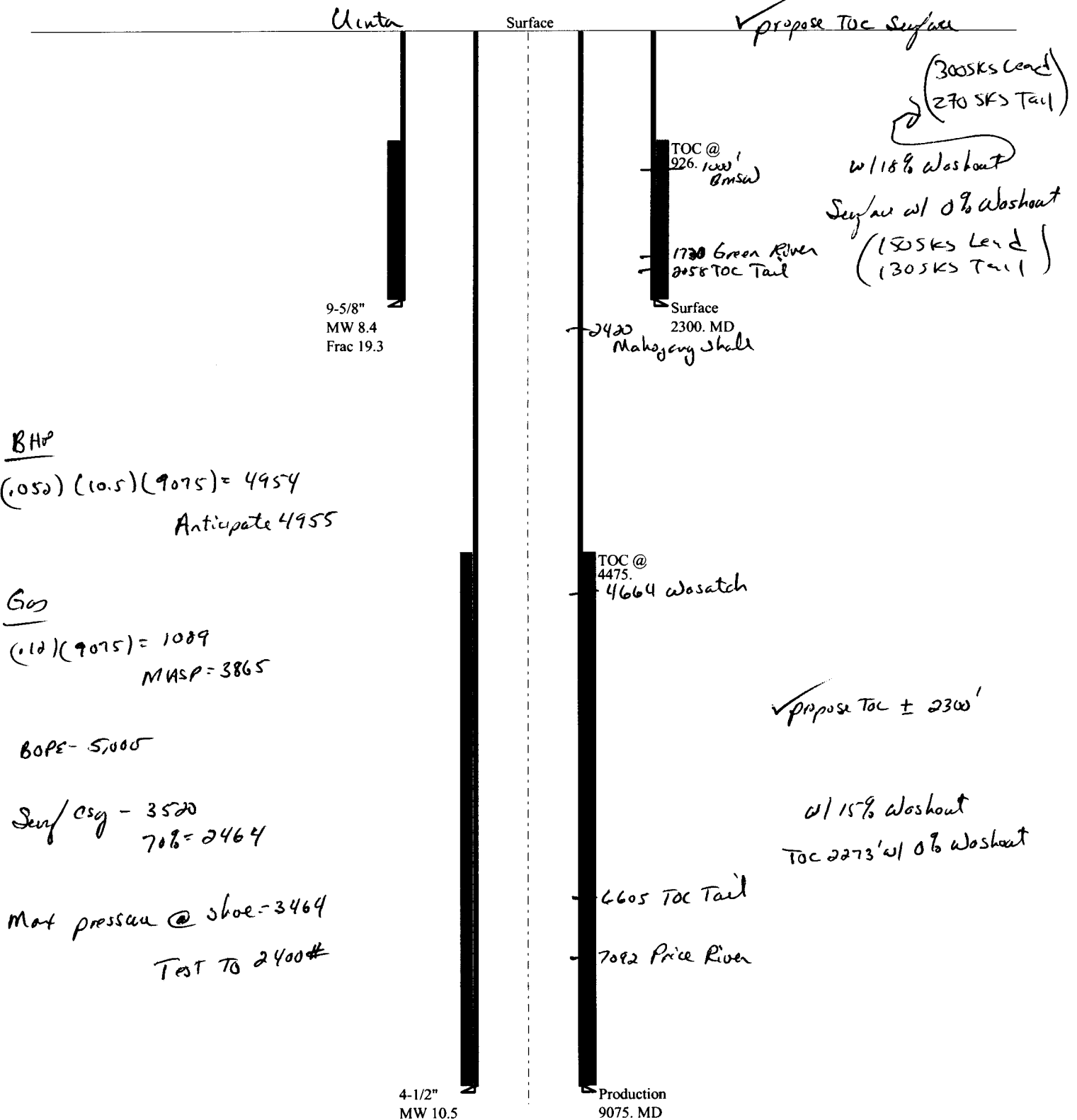
SOURCE OF CONSTRUCTION MATERIAL: All construction material will be borrowed from the site during the construction of the location.

ANCILLARY FACILITIES: None will be required.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST CONCERNS? (EXPLAIN). Unlikely, as there are other existing wells in the

8-05 EOG Resources E Chapter 7-16

Casing Schematic



Well name:

08-05 EOG Resources E Chapita 7-16Operator: **EOG Resources Inc**String type: **Surface**

Project ID:

43-047-36814

Location: **Uintah County****Design parameters:****Collapse**Mud weight: 8.400 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 107 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 350 ft

Cement top: 926 ft

BurstMax anticipated surface pressure: 2,024 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,300 psi

No backup mud specified.

Tension:8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.

Neutral point: 2,014 ft

Completion type is subs
Non-directional string.**Re subsequent strings:**Next setting depth: 9,075 ft
Next mud weight: 10.500 ppg
Next setting BHP: 4,950 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,300 ft
Injection pressure 2,300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2300	9.625	36.00	J-55	ST&C	2300	2300	8.796	163.8
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1004	2020	2.013	2300	3520	1.53	73	394	5.43 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & MiningPhone: 801-538-5280
FAX: 801-359-3940Date: August 3, 2005
Salt Lake City, Utah**Remarks:**Collapse is based on a vertical depth of 2300 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes.
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

08-05 EOG Resources E Chapita 7-16Operator: **EOG Resources Inc**String type: **Production**

Project ID:

43-047-36814

Location: **Uintah County****Design parameters:****Collapse**Mud weight: 10.500 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 202 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 4,475 ft

BurstMax anticipated surface
pressure: 3,861 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 4,950 psi

No backup mud specified.

Tension:8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)Completion type is subs
Non-directional string.

Tension is based on buoyed weight.

Neutral point: 7,651 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	9075	4.5	11.60	N-80	LT&C	9075	9075	3.875	210.4
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	4950	6350	1.283	4950	7780	1.57	89	223	2.51 J

Prepared Clinton Dworshak
by: Utah Div. of Oil & MiningPhone: 801-538-5280
FAX: 801-359-3940Date: August 3, 2005
Salt Lake City, Utah**Remarks:**Collapse is based on a vertical depth of 9075 ft, a mud weight of 10.5 ppg. The casing is considered to be evacuated for collapse purposes.
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

**State of Utah****Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

September 6, 2005

EOG Resources, Inc.
P O Box 1815
Vernal, UT 84078

Re: East Chapita 7-16 Well, 2081' FSL, 834' FEL, NE SE, Sec. 16, T. 9 South,
R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36814.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA

Operator: EOG Resources, Inc.
Well Name & Number East Chapita 7-16
API Number: 43-047-36814
Lease: ML-47045

Location: NE SE Sec. 16 T. 9 South R. 23 East

Conditions of Approval

1. **General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. **Notification Requirements**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.
7. Surface casing shall be cemented to the surface.
8. Cement volume for the 4 1/2" production string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to 2300' as indicated in the submitted drilling plan.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOUCES INC

Well Name: E CHAPITA 7-16

Api No: 43-047-36814 Lease Type: STATE

Section 16 Township 09S Range 23E County UINTAH

Drilling Contractor ROCKER DRILLING RIG # 1

SPUDDED:

Date 02/20/06

Time 11:00 AM

How DRY

Drilling will Commence: _____

Reported by JERRY BARNES

Telephone # 1-435-828-1720

Date 02/22/2006 Signed CHD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES

Operator Account Number: N 9550

Address: P.O. BOX 1815

city VERNAL

state UT

zip 84078

Phone Number: (307) 276-4842

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36951	CHAPITA WELLS UNIT 1067-03		SWNE	3	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
#B	99999	14473	2/19/2006		2/22/06		
Comments: PRRV=MVRD = unit pa - K							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-35597	SOUTH CHAPITA 9-35		SWSW	35	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
#A	99999	15203	2/17/2006		2/22/06		
Comments: PRRV=MVRD - J							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36814	EAST CHAPITA 7-16		NESE	16	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
#A	99999	15204	2/20/2006		2/22/06		
Comments: PRRV=MVRD - J							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Kaylene R. Gardner

Name (Please Print)

Signature

Regulatory Assistant

Title

2/21/2006

Date

(5/2000)

RECEIVED

FEB 21 2006

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47045
2. NAME OF OPERATOR: EOG RESOURCES, INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P.O. BOX 1815 CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (307) 276-4842		8. WELL NAME and NUMBER: EAST CHAPITA 7-16
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2081 FSL 834 FEL 40.034394 LAT 109.325486 LON		9. API NUMBER: 43-047-36814
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 16 9S 23E S		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input checked="" type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.

1. Natural Buttes Unit 21-20B SWD.
2. Ace Disposal
3. RN Industries.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

NAME (PLEASE PRINT) Kaylene R. Gardner	TITLE Regulatory Assistant
SIGNATURE 	DATE 2/21/2006

(This space for State use only)

RECEIVED
FEB 23 2006

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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STATE: UTAH		

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	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. spud a 20" surface hole at the referenced location 2/20/2006 at 11:00 a.m. Jerry Barnes, representative for EOG, notified Matt Baker of the Vernal BLM office and Carol Daniels of the Utah Division of Oil Gas and Mining of the spud 2/20/2006 @ 7:00 a.m.

NAME (PLEASE PRINT) Kaylene R. Gardner	TITLE Regulatory Assistant
SIGNATURE 	DATE 2/21/2006

(This space for State use only)

FEB 23 2006

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

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EOG RESOURCES, INC.

3. ADDRESS OF OPERATOR:
600 17th St. #1000N CITY Denver STATE CO ZIP 80202

PHONE NUMBER:
(303) 824-5526

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-47045

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:
East Chapita 7-16

9. API NUMBER:
43-047-36814

10. FIELD AND POOL, OR WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2081 FSL 834 FEL 40.034394 LAT 109.325486 LON

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 16 9S 23E S

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	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	OPERATIONS

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Please see attached operations summary report for drilling operations performed on the subject well 3/14/2006 - 3/23/2006.

EOG Resources, Inc. operates under Nationwide Bond #2308

NAME (PLEASE PRINT) Mary Maestas

TITLE Operations Clerk

SIGNATURE

Mary Maestas

DATE 3/23/2006

(This space for State use only)

MAR 28 2006

PERC^Y**OPERATIONS SUMMARY REPORT**

WELL NAME: ECW 007-16
 RIG NAME: TRUE #27
 FIELD NAME: CHAPITA WELLS DEEP
 EVENT NO.: 1

AFE NO: 303477
 WELL ID NO.: 057264
 API NO.: 43-047-36814
 EVENT DESC.: DRILL & COMPLETE

DATE: 3/14/2006 DSS: 1 DEPTH: 2,520 MUD WT: 8.60 CUM COST TO DATE: 309,915.23

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
1.00	D	OT		WAIT ON DAYLIGHT.
11.00	D	TB		PREJOB SAFETY MEETING. TEST BOPS. RU B&C QUICK TESTERS (MARK REDLE). TEST BOP'S AS FOLLOWS: UPPER KELLY VALVE, LOWER KELLY VALVE, INSIDE BOP, SAFETY VALVE, PIPE RAMS AND INSIDE MUD CROSS VALVE, PIPE RAMS AND OUTSIDE MUD CROSS VALVE ALL TO 250 PSI LOW FOR 5 MIN AND 5000 PSI FOR 10 MIN. TESTED ANNULAR PREVENTER TO 250 PSI FOR 5 MIN AND 2500 PSI FOR 10 MIN. TEST ON BLIND RAMS FAILED, CHANGED OUT RAM BLOCK RUBBERS, AND TESTED AS FOLLOWS: BLIND RAM, KILL LINE, CHOKE LINE AND OUTSIDE MANIFOLD VALVES ALL 250 PSI FOR 5 MIN AND 5000 PSI FOR 10 MIN. TESTED 9 5/8" CASING TO 1500 PSI FOR 30 MIN. FILL CHOKE LINE AND CHOKE MANIFOLD WITH METHANOL TO KEEP FROM FREEZING. ALL TESTS OK.
0.50	D	NU		INSTALL WEAR BUSHING.
2.50	D	BH		PU BHA & TOOLS.
1.50	D	LD		PU DRILL PIPE AND RIH. TAG CMT @ 2310'.
1.00	D	CR		INSTALL ROT HEAD RUBBER. REALIGN BOP STACK.
1.00	D	OT		PRE-DRILL SAFETY MEETING.
2.50	D	DC		DRILL CEMENT/FLOAT EQUIPMENT. SHOE @ 2423'.
0.50	D	WA		WASH/REAM TO BOTTOM @ 2430'. CIRCULATE CLEAN.
0.50	D	OT		PERFORM FIT, WATER @ 8.4 PPG, 1058 PSI + 390 PSI, EMW 11.5. NO LEAK OFF OCCURED, PRESSURE STEADY FOR 10 MIN.
0.50	D	SU		WIRE LINE SURVEY. (TRIP DRILL, TIW IN PLACE AND WELL SECURE 25 SEC).
2.00	D	DR		DRILL 2430' TO 2520'.
				LITHOLOGY SH 75%, SS 15%, LS 10%
				MAX GAS - 567U (BELOW SHOE)
				BOILER 24 HRS
				NO ACCIDENTS OR INCIDENTS
				FUEL ON HAND 5086 GAL, FUEL USED 1059 GAL
				SAFETY MEETING: PRESSURE TEST/PU BHA/WIRELINE SURVEYS
				NOTIFIED MICHAEL LEE W/BLM IN VERNAL AT 20:00 HRS, 3/12/06 OF BOP TEST
18.00	D			SPUD 7 7/8" HOLE @ 02:30 HRS, 3/14/06.

DATE: 3/15/2006 DSS: 2 DEPTH: 3,780 MUD WT: 8.70 CUM COST TO DATE: 351,296.42

PERC^Y**OPERATIONS SUMMARY REPORT**

WELL NAME: ECW 007-16
 RIG NAME: TRUE #27
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 EVENT NO.: 1

AFE NO: 303477
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DATE: 3/15/2006 DSS: 2 DEPTH: 3,780 MUD WT: 8.70 CUM COST TO DATE: 351,296.42

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
1.50	D	DR		DRILL 2520' TO 2626'.
1.00	D	SR		SERVICED RIG. ADJUST CATHEAD.
4.00	D	DR		DRILL 2626' TO 2880'.
1.00	K	RR		FIX AIR LINE ON #1 FLOOR MOTOR CLUTCH.
8.00	D	DR		DRILL 2880' TO 3517'.
0.50	D	SU		SURVEY, 3/4 DEGREE.
8.00	D	DR		DRILL 3517' TO 3780', MW 9.0 PPG.
BOILER 24 HRS				
FUEL ON HAND 4039 GAL, FUEL USED 1047 GAL				
SAFETY MEETING: WORKING ON MOVING EQUIPMENT/MAKING CONNECTIONS/BOP DRILLS				
NO ACCIDENTS OR INCIDENTS				

LITHOLOGY: LS-75%, SHLYSS-20%, SS-5%
 BG GAS 1600U, CONN GAS 3500U, HIGH GAS 5153U

DATE: 3/16/2006 DSS: 3 DEPTH: 4,475 MUD WT: 9.10 CUM COST TO DATE: 444,557.29

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
8.50	D	DR		DRILL 3780' TO 4113'.
0.50	D	SR		SERVICED RIG.
15.00	D	DR		DRILL 4113' TO 4475', MW 9.2 PPG.
BOILER 24HRS				
FUEL ON HAND 2767 GALS, FUEL USED 1272 GALS				
SAFETY MEETING: MAKING CONNECTIONS/FALL PROTECTION				
NO ACCIDENTS OR INCIDENTS				

LITHOLOGY SS 40%, SH 40%, LS 20%
 BG GAS 250U, CONN GAS 1000U, HIGH GAS 2363U @ 3887'

DATE: 3/17/2006 DSS: 4 DEPTH: 4,974 MUD WT: 9.40 CUM COST TO DATE: 476,748.39

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
0.50	D	DR		DRILL 4113' TO 4503'.
0.50	D	SU		SURVEY @ 4425', 1.75 DEGREES.
5.00	D	DR		DRILL 4503' TO 4627'.
0.50	D	SR		SERVICED RIG.
17.50	D	DR		DRILL 4627' TO 4974', MW 9.5.
BOILER 24 HRS				
FUEL ON HAND 1720 GAL, FUEL USED 1047 GAL				
SAFETY MEETING: PINCH POINTS/SETTING CASING ON PIPE RACKS/FALL PROTECTION				
INCIDENT WAS REPORTED (PINCHED FINGER, NOT LTA)				

LITHOLOGY SS 40%, SH 40%, LS 20%
 BG GAS 110U, CONN GAS 200U, MAX GAS 1300U @ 4641'

PERC**OPERATIONS SUMMARY REPORT**

WELL NAME: ECW 007-16
 RIG NAME: TRUE #27
 FIELD NAME: CHAPITA WELLS DEEP
 EVENT NO.: 1

AFE NO: 303477
 WELL ID NO.: 057264
 API NO.: 43-047-36814
 EVENT DESC.: DRILL & COMPLETE

DATE: 3/18/2006 DSS: 5 DEPTH: 5,752 MUD WT: 9.70 CUM COST TO DATE: 522,854.42

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
7.50	D	DR		DRILL 4974' TO 5286'.
0.50	D	SR		SERVICED RIG.
0.50	K	RR		RIG REPAIR, CHANGE OUT BACK BRAKE CLUTCH ON DRILLER'S CONSOLE.
7.00	D	DR		DRILL 5286' TO 5504'.
0.50	D	SU		FLOW CHECK, SURVEY @ 5426', 1 DEGREE.
8.00	D	DR		DRILL 5504' TO 5752', MW 10.1 PPG.

BOILER 24 HOURS

SAFETY MEETING: PROPER TIE OFF/PINCH POINTS

BOP DRILLS HELD BY ALL CREWS

FUEL REC 4500 GALS, FUEL USED 1134 GALS, FUEL ON HAND 5086 GAL

NO ACCIDENTS OR INCIDENTS

LITHOLOGY RDSH 40%, SS 30%, SH 30%

BG GAS 180U, CONN GAS 250U, MAX GAS 4428U @ 5423'

DATE: 3/19/2006 DSS: 6 DEPTH: 6,350 MUD WT: 10.10 CUM COST TO DATE: 553,009.47

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
7.00	D	DR		DRILL 5752' TO 6003'.
0.50	D	SR		SERVICED RIG.
3.50	D	DR		DRILL 6003' TO 6098'.
0.50	D	SU		FLOW CHECK, DROP SURVEY, FLUSH FLOWLINE.
2.00	D	TR		TRIP OUT OF HOLE. FLOW CHECK @ SHOE AND TOP OF BHA, HOLE SLICK.
2.00	D	BH		CHANGE OUT BIT AND MUD MOTOR. MU & RUN BHA.
2.00	D	TR		TRIP BACK TO BOTTOM, NO FILL.
6.50	D	DR		DRILL 6098' TO 6350', MW 10.3 PPG.

BOILER 24 HOURS

NO ACCIDENTS OR INCIDENTS

SAFETY MEETING: TRIPS AND FALLS/PINCH POINTS/ROTARY TABLE

FUEL USED 1271 GALS, FUEL ON HAND 3815 GALS

LITHOLOGY SS 50%, SH 40%, RDSH 10%

BG GAS 180U, CONN GAS 300U, TRIP GAS 698U, HIGH GAS 2113U @ 6055'

DATE: 3/20/2006 DSS: 7 DEPTH: 7,230 MUD WT: 10.20 CUM COST TO DATE: 582,535.44

PERC^Y**OPERATIONS SUMMARY REPORT**

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DATE: 3/20/2006 DSS: 7 DEPTH: 7,230 MUD WT: 10.20 CUM COST TO DATE: 582,535.44

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
6.00	D	DR		DRILL 6350' TO 6537'.
0.50	D	SR		SERVICE RIG.
14.00	D	DR		DRILL 6537' TO 7106'.
0.50	D	SU		SURVEY @ 7028', 2 DEGREE.
3.00	D	DR		DRILL 7106' TO 7230', MW 10.5 PPG.

BOILER 24 HOURS

FUEL USED 1347 GAL, FUEL ON HAND 2468 GAL

SAFETY MEETING: COMMUNICATION/HOT WORK PERMITS/TRIPS AND FALLS

NO ACCIDENTS OR INCIDENTS

LITHOLOGY SS 50%, SH 40%, SLTST 10%

BG GAS 300U, CONN GAS 500U, HIGH GAS 3855U @ 6743'

DATE: 3/21/2006 DSS: 8 DEPTH: 8,200 MUD WT: 10.40 CUM COST TO DATE: 615,767.36

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
4.00	D	DR		DRILL 7230' TO 7393'.
0.50	D	SR		SERVICE RIG.
19.50	D	DR		DRILL 7393' TO 8200', MW 10.6 PPG.

BOILER 24 HOURS

FUEL USED 1346 GAL

FUEL ON HAND 1122 GAL

SAFETY MEETING: USE OF FIRE EXTINGUISHERS/WIRE LINE SURVEY/CHANGE MUD PUMP

NO ACCIDENTS OR INCIDENTS

LITHOLOGY SS 45%, SH 45%, SLTST 10%

BG GAS 800U, CONN GAS 1500U, HIGH GAS 7881U @ 7607'

18.00 D

DATE: 3/22/2006 DSS: 9 DEPTH: 8,680 MUD WT: 10.60 CUM COST TO DATE: 664,164.21

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
6.00	D	DR		DRILL 8200' TO 8361'.
0.50	D	SR		SERVICE RIG.
17.50	D	DR		DRILL 8361' TO 8680', MW 10.7 PPG.

BOILER 24 HRS

FUEL RECEIVED 4500 GALS, FUEL ON HAND 4263 GALS, FUEL USED 1359 GALS

SAFETY MEETING: MAKING CONNECTIONS/CORRECT PPE/ADJUSTING BRAKES ON DRAWWORKS

NO ACCIDENTS, NO INCIDENTS

LITHOLOGY : CARBSH 60%, SS 30%, SLTST 10%

BG GAS 1000U, CONN GAS 3500U, HIGH GAS 8377U @ 8324'

DATE: 3/23/2006 DSS: 10 DEPTH: 9,053 MUD WT: 10.90 CUM COST TO DATE: 692,617.58

PERC^Y**OPERATIONS SUMMARY REPORT****WELL NAME:** ECW 007-16**AFE NO:** 303477**RIG NAME:** TRUE #27**WELL ID NO.:** 057264**FIELD NAME:** CHAPITA WELLS DEEP**API NO.:** 43-047-36814**EVENT NO.:** 1**EVENT DESC.:** DRILL & COMPLETE

<u>HOURS</u>	<u>PH</u>	<u>OP</u>	<u>ACT</u>	<u>ACTIVITY DESCRIPTION</u>
7.00	D	DL		DRILL 8680' TO 8834', 154' @ 22.0 FPH, WOB 25 - 30K, RPM 60, MOTOR 62.
0.50	D	SR		SERVICED RIG.
16.50	D	DL		DRILLED 8834' TO 9053', 219' @ 13.27 FPH, WOB 25 - 30K, RPM 50 - 60, MOTOR 62. PUMP #2 @ 120 SPM (387 GPM).
				FUEL 2842 GAL, USED 1421 GALS
				BOP DRILLS: DAYS 120 SEC, EVENING 60 SEC, MORNING 100 SEC
				NO ACCIDENTS
				NO POLLUTION
				LITHOLOGY: CARB SH 50%, SS 40%, SLTST 10%
				SHOWS 8912' - 8974', 6' FLARE, MW 10.8 PPG IN & OUT
				BGG 4000U, CONN GAS 6000U, HIGH GAS 6771U @ 8958'
18.00	D			

STATE OF UTAH
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4304736814

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Natural Buttes

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STATE: UTAH

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	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Drilling operations
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Please see the attached operations summary report for operations performed on the subject well 3/24/2006 - 4/08/2006.

NAME (PLEASE PRINT) Mary Maestas

TITLE Operations Clerk

SIGNATURE

Mary Maestas

DATE 4/10/2006

(This space for State use only)

RECEIVED
APR 11 2006
DIV. OF OIL, GAS & MINING

PERC**OPERATIONS SUMMARY REPORT**

WELL NAME: ECW 007-16
 RIG NAME: TRUE #27
 FIELD NAME: CHAPITA WELLS DEEP
 EVENT NO.: 1

AFE NO: 303477
 WELL ID NO.: 057264
 API NO.: 43-047-36814
 EVENT DESC.: DRILL & COMPLETE

DATE: 3/24/2006 DSS: 11 DEPTH: 9,075 MUD WT: 11.00 CUM COST TO DATE: 736,758.05

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
4.50	D	DL		DRILLED 9053' TO 9075' TD, 22' @ 4.88 FPH, WOB 25 - 30K, RPM 50 - 60, MOTOR 62. #2 PUMP @ 120 SPM, 387 GPM. REACHED TD AT 10:30 HOURS, 3/23/06.
2.00	D	CI		CIRCULATE/CONDITION. PUMP 50 BBL HIGH VIS, SWEEP AROUND.
1.50	D	TR		PUMP SLUG. TRIP OUT OF HOLE TO 6004'.
1.50	D	TR		TRIP IN HOLE TO 9075'.
2.00	D	CI		CIRCULATE/CONDITION. RU LAY DOWN MACHINE. MAX TRIP GAS 8077U, BGG 1400U.
0.50	D	SU		SLUG PIPE. DROP TOTCO SURVEY & WO SAME.
6.50	D	LD		LD 4-1/2" DRILL PIPE. BREAK KELLY.
1.50	D	BH		FLOW CHECK WELL, NO FLOW. LD BHA. TOTCO SURVEY @ 9006', 3-1/4 DEGREE. PULL WEAR BUSHING.
1.00	D	OT		CLEAN FLOOR. RU CASING CREW.
3.00	D	RC		SAFETY MEETING W/ALL PERSONNEL. MU FLOAT EQUIPMENT. CHECK FLOATS. RUN 4-1/2", 11.6#, P-110 CASING.

FUEL 1870 GALS, USED 972 GALS

NO ACCIDENTS

NO POLLUTION

NOTIFIED MICHAEL LEE W/BLM AT 16:00 HRS, 3/23/06 OF PENDING 4-1/2" CSG RUNNING & CEMENTING JOB

DATE: 3/25/2006 DSS: 12 DEPTH: 9,075 MUD WT: CUM COST TO DATE: 947,521.05

PERC**OPERATIONS SUMMARY REPORT**

WELL NAME: ECW 007-16
 RIG NAME: TRUE #27
 FIELD NAME: CHAPITA WELLS DEEP
 EVENT NO.: 1

AFE NO: 303477
 WELL ID NO.: 057264
 API NO.: 43-047-36814
 EVENT DESC.: DRILL & COMPLETE

DATE: 3/25/2006 DSS: 12 DEPTH: 9,075 MUD WT: CUM COST TO DATE: 947,521.05

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
5.00	D	RC		CONTINUE RUNNING 4-1/2", 11.6#, P-110, LT&C CSG. TAGGED FILL @ 9033.50'.
1.00	D	WA		INSTALL ROTATING HEAD RUBBER & SWEDGE. WASH FROM 9033.50' TO 9075'.
2.50	D	CI		CIRCULATE SURFACE TO SURFACE. BOTTOMS UP M/C FROM 11.0 PPG TO 10.9 PPG, FLARE 8'.
0.50	C	OT		LD TAG JT. MAKE UP LANDING JT & FMC CSG HANGER. RAN 218 JTS (216 FULL JTS + 2 MARKER JTS) OF 4 1/2", 11.6#, P-110, LTC PRODUCTION CASING. LANDED AT 9070' KB. RAN AS FOLLOWS: GUIDE SHOE, 1 JT CASING, FLOAT COLLAR AT 9022', 51 JTS CASING, MARKER JT AT 6882', 61 JTS CASING, MARKER JT AT 4316, 103 JTS CASING. CENTRALIZERS: ONE 5' ABOVE FLOAT SHOE, 1 TOP OF JT# 2 & EVERY OTHER JT TO JT #58. TOTAL OF 30 CENTRALIZERS.
2.50	C	CM		SAFETY MEETING W/ SCHLUMBERGER & ALL PERSONNEL. PRESSURE TEST LINES TO 4,500 PSI. PUMP 20 BBLS. CHEMICAL WASH, 20 BBLS. WATER SPACER, MIX / PUMP 139.8 BBLS / 260 SKS. "G" LEAD CEMENT (@ 11.50 PPG, YIELD 3.02 FT3/SK). MIX / PUMP 331.9 BBLS. / 1,445 SKS. 50/50 POZ "G" TAIL CEMENT (@ 14.1 PPG, YIELD 1.29 FT3/SK). DROP TOP PLUG. DISPLACED W/ 139.8 BBLS. OF WATER. BUMPED PLUG @ 3,100 PSI. RELEASED PRESSURE. FLOATS HOLDING.
0.50	C	OT		DRAIN STACK. LAND CSG HANGER W/85K. TEST SEAL ASSEMBLY TO 5000 PSI.
0.50	C	RS		RD SCHLUMBERGER.
1.50	C	OT		CLEAN MUD TANKS.
3.00	C	NU		ND BOPS.
7.00	C	OT		RIG IDLE. WO DAYLIGHT TO CONTINUE RD.
				FUEL 950 GALS, USED 920 GALS
				NO ACCIDENTS
				NO POLLUTION
				TRANSFERRED TO ECW 2-5:
				8 JTS 4-1/2", 11.6#, N-80, LT&C CASING (NEW) 311.04'
				1 JT 4-1/2", 11.6#, N-80, LT&C MARKER (NEW) 19.88'
				10 JTS 4-1/2", 11.6#, P-110, LT&C CASING (NEW) 405.23'
				1 JT 4-1/2", 11.6#, P-110, LT&C MARKER (NEW) 20.33'
				TRANSFERRED 950 GALS DIESEL
18.00	C			RIG RELEASED @ 23:00 HRS, 3/24/06.
				CASING POINT COST \$803,259

DATE: 3/29/2006 DSS: 13 DEPTH: 9,075 MUD WT: CUM COST TO DATE: 989,759.05

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
24.00	C	OT		MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 1000'. CEMENT TOP @ ± 1590'. RD SCHLUMBERGER.

DATE: 4/2/2006 DSS: 14 DEPTH: 9,075 MUD WT: CUM COST TO DATE: 990,659.05

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
24.00	C	OT		NU 10M FRAC TREE. PRESSURE TEST CASING & FRAC TREE TO 8500 PSIG. SDFN.

DATE: 4/4/2006 DSS: 15 DEPTH: 9,075 MUD WT: CUM COST TO DATE: 994,459.05

PERC**OPERATIONS SUMMARY REPORT**

WELL NAME: ECW 007-16
 RIG NAME: TRUE #27
 FIELD NAME: CHAPITA WELLS DEEP
 EVENT NO.: 1

AFE NO: 303477
 WELL ID NO.: 057264
 API NO.: 43-047-36814
 EVENT DESC.: DRILL & COMPLETE

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
24.00	C	OT		RU CUTTERS WIRELINE. PERFORATED LPR FROM 8878'-79', 8894'-95', 8918'-20', 8927'-30', 8934'-36', 8943'-44' & 8954'-56' @ 3 SPF & 120° PHASING. RDWL. SI FOR PRESSURE BUILD UP.

DATE: 4/5/2006 DSS: 16 DEPTH: 9,075 MUD WT: CUM COST TO DATE: 997,989.05

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
24.00	C	OT		MIRU PLS. RIH WITH BHP GUAGE TO 8956'. LEAVE FOR BUILD UP. SDFN.

DATE: 4/7/2006 DSS: 17 DEPTH: 9,075 MUD WT: CUM COST TO DATE: 1,014,682.81

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
13.00	C	OT		SICP 820 PSIG. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4983 GAL YF125ST+ PAD, 43233 GAL YF125ST+ & YF118ST+ WITH 133300# 20/40 SAND @ 1-6 PPG. MTP 7127 PSIG. MTR 51.2 BPM. ATP 5958 PSIG. ATR 50 BPM. ISIP 3750 PSIG. RD SCHLUMBERGER.

RU CUTTERS WL. SET 10K CFP AT 8955'. PERFORATED LPR FROM 8584'-85', 8648'-49', 8682'-84', 8694'-96', 8704'-06', 8778'-80', 8792'-93', 8806'-07' & 8819'-21' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4935 GAL YF125ST+ PAD, 51513 GAL YF125ST+ & YF118ST+ WITH 51513# 20/40 SAND @ 1-6 PPG. MTP 7360 PSIG. MTR 51.6 BPM. ATP 5645 PSIG. ATR 50.6 BPM. ISIP 2971 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8524'. PERFORATED MPR FROM 8262'-63', 8284'-85', 8304'-05', 8323'-24', 8343'-44', 8360'-61', 8368'-70', 8388'-89', 8432'-33', 8458'-60' & 8492'-94' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4938 GAL YF125ST+ PAD, 42606 GAL YF125ST+ & YF118ST+ WITH 132000# 20/40 SAND @ 1-6 PPG. MTP 7915 PSIG. MTR 50.7 BPM. ATP 5758 PSIG. ATR 48.3 BPM. ISIP 3270 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8232'. PERFORATED MPR FROM 7936'-38', 7944'-46', 7975'-76', 8063'-64', 8085'-87', 8119'-21', 8134'-35', 8194'-96' & 8201'-02' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4951 GAL YF123ST+ PAD, 55109 GAL YF123ST+ & YF118ST+ WITH 192800# 20/40 SAND @ 1-6 PPG. MTP 7742 PSIG. MTR 49.8 BPM. ATP 5705 PSIG. ATR 47.5 BPM. ISIP 3150 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7880'. PERFORATED MPR FROM 7705'-06', 7715'-17', 7731'-32', 7741'-42', 7759'-60', 7774'-76', 7784'-86', 7793'-94', 7805'-06' & 7849'-50' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4944 GAL YF125ST+ PAD, 50832 GAL YF123ST+ & YF118ST+ WITH 169400# 20/40 SAND @ 1-6 PPG. MTP 6529 PSIG. MTR 50.8 BPM. ATP 4574 PSIG. ATR 48.1 BPM. ISIP 2040 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7685'. PERFORATED MPR FROM 7551'-52', 7561'-63', 7581'-82', 7596'-98', 7601'-02', 7619'-21', 7629'-30', 7644'-46' & 7658'-60' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4943 GAL YF123ST+ PAD, 63223 GAL YF123ST+ & YF118ST+ WITH 239000# 20/40 SAND @ 1-6 PPG. MTP 6860 PSIG. MTR 50.7 BPM. ATP 4834 PSIG. ATR 48.8 BPM. ISIP 2535 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7375'. PERFORATED UPR FROM 7096'-97', 7142'-43', 7190'-92', 7200'-02', 7274'-76', 7300'-02' & 7343'-45' @ 3 SPF & 120° PHASING. RDWL. SDFN.

PERC^Y**OPERATIONS SUMMARY REPORT****WELL NAME:** ECW 007-16**AFE NO:** 303477**RIG NAME:** TRUE #27**WELL ID NO.:** 057264**FIELD NAME:** CHAPITA WELLS DEEP**API NO.:** 43-047-36814**EVENT NO.:** 1**EVENT DESC.:** DRILL & COMPLETE**DATE:** 4/8/2006**DSS:** 18**DEPTH:** 9,075**MUD WT:****CUM COST TO DATE:**

1,394,648.40

HOURS **PH** **OP** **ACT****ACTIVITY DESCRIPTION**

7.00 C OT

SICP 1510 PSIG. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4947 GAL YF123ST+ PAD, 54441 GAL YF123ST+ & YF118ST+ WITH 191900# 20/40 SAND @ 1-6 PPG. MTP 5402 PSIG. MTR 51.6 BPM. ATP 4339 PSIG. ATR 49.6 BPM. ISIP 2480 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7062'. PERFORATED UPR FROM 6836'-67', 6851'-52', 6871'-73', 6880'-82', 6893'-95', 6978'-79', 6992'-94', 6998'-7000' & 7034'-35' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4937 GAL YF123ST+ PAD, 66925 GAL YF123ST+ & YF118ST+ WITH 237300 # 20/40 SAND @ 1-6 PPG. MTP 4506 PSIG. MTR 51.2 BPM. ATP 4120 PSIG. ATR 49.9 BPM. ISIP 2260 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 6800'. BLED OFF PRESSURE. RDWL. SDFN.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47045
2. NAME OF OPERATOR: EOG RESOURCES, INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P.O. BOX 1815 VERNAL UT 84078		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (307) 276-4842		8. WELL NAME and NUMBER: EAST CHAPITA 7-16
		9. API NUMBER: 43-047-36814
		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL	
FOOTAGES AT SURFACE: 2081 FSL 834 FEL 40.034394 LAT 109.325486 LON	COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 16 9S 23E S	STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

INITIAL PRODUCTION: The referenced well was turned to sales at 8:30 a.m., 4/27/2006 through Questar meter # 6973 on a 14/64" choke. Opening pressure, FTP 1200 psig, CP 2800 psig.

NAME (PLEASE PRINT) Kaylene R. Gardner	TITLE Regulatory Assistant
SIGNATURE 	DATE 5/1/2006

(This space for State use only)

MAY 02 2006

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47045
2. NAME OF OPERATOR: EOG Resources, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (303) 824-5526		8. WELL NAME and NUMBER: East Chapita 7-16
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2081' FSL - 834' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 16 9S 23E S		9. API NUMBER: 4304736814
		10. FIELD AND POOL, OR WILDCAT: Natural Buttes
		COUNTY: Uintah
		STATE: UTAH

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input checked="" type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. requests authorization for commingling of production from the Wasatch and Mesaverde formations in the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from open hole logs. Production from the Wasatch and Mesaverde formations will be commingled in the wellbore and produced through open ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing.

Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

NAME (PLEASE PRINT) Mary Maestas TITLE Operations Clerk
SIGNATURE Mary Maestas DATE 5/2/2006

(This space for State use only)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 6/6/06
BY: D. K. [Signature]

(See Instructions on Reverse Side)

RECEIVED
MAY 03 2006

DIV. OF OIL, GAS & MINING

STATE OF COLORADO)
)ss
COUNTY OF DENVER)

AFFIDAVIT

Mary Maestas, of lawful age, being first duly sworn upon oath, deposes and says:
She is the Operations Clerk of EOG Resources, Inc., of Denver, Colorado. EOG
Resources, Inc. is the operator of the following described well:

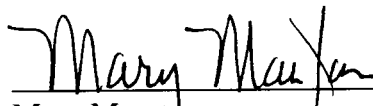
**EAST CHAPITA 7-16
2081 FSL 834 FEL (NESE)
SECTION 16, T9S, R23E
UINTAH COUNTY, UTAH**

EOG Resources, and Kerr-McGee Oil & Gas Onshore LP, Exhibit A are
the only owners in the well and/or of all contiguous oil and gas leases or drilling units
overlying the pool.

On the 2nd day of May, 2006 she placed in the United States mail, with postage
prepaid, a copy of the attached Application for Commingling in one wellbore for the
subject well.

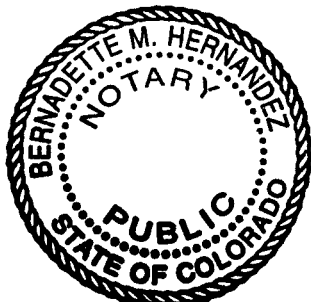
Said envelope, which contained these instruments, was addressed to the Utah
Division of Oil, Gas & Mining, and Kerr-McGee Oil & Gas Onshore LP.

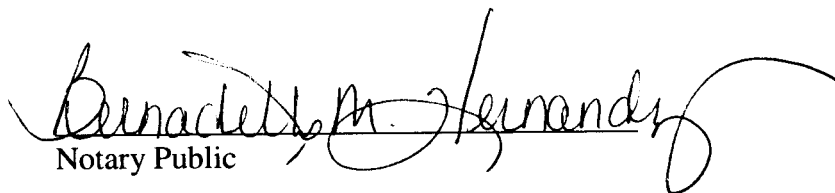
Further affiant sayeth not.



Mary Maestas
Operations Clerk

Subscribed and sworn before me this 2nd day of May, 2006.




Notary Public

My Commission Expires: 2/8/09

Exhibit "A" to Affidavit
East Chapita 7-16 Application to Commingle

Kerr-McGee Oil & Gas Onshore LP
1999 Broadway, Suite 3700
Denver, Colorado 80265
Attention: Mr. Chris Latimer

R 23 E

CWU 29-16

16



ECW 7-16



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ML 47045

U-01301



CHAPITA WELLS UNIT

RECEIVED

MAY 03 2006

DIV. OF OIL, GAS & MINING

○ EAST CHAPITA 7-16

Scale: 1"=1000'

0 1/4 1/2 Mile



eog resources

Denver Division

EXHIBIT "A"

EAST CHAPITA 7-16
Commingling Application
Uintah County, Utah

Scale:
1"=1000'

D:\utah\Commingling\page_EC7-16_commingling.dwg
WELL

Author

TLM

Apr 10, 2006 -
1:36pm

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____	7. UNIT or CA AGREEMENT NAME
b. TYPE OF WORK: NEW WELL <input checked="" type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: East Chapita 7-16
2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43-047-36814
3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80229	10. FIELD AND POOL, OR WILDCAT Natural Buttes/Wasatch
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2081' FSL & 834' FEL 40.034394 LAT 109.325486 LON AT TOP PRODUCING INTERVAL REPORTED BELOW: Same AT TOTAL DEPTH: Same	11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 16 9S 23E S
	12. COUNTY Uintah
	13. STATE UTAH

14. DATE SPUDDED: 2/20/2006	15. DATE T.D. REACHED: 3/23/2006	16. DATE COMPLETED: 4/27/2006	ABANDONED <input type="checkbox"/> READY TO PRODUCE <input checked="" type="checkbox"/>	17. ELEVATIONS (DF, RKB, RT, GL): 5050' NAT GL
18. TOTAL DEPTH: MD 9,075 TVD	19. PLUG BACK T.D.: MD 9,022 TVD	20. IF MULTIPLE COMPLETIONS, HOW MANY? *	21. DEPTH BRIDGE MD PLUG SET: TVD	
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) RST/CBL/CCL/VDL/GR			23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)	

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12-1/4"	9-5/8 J-55	36.0#	0	2,423		1015 sx			
7-7/8"	4-1/2" P-110	11.6#	0	9,070		1705 sx			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8"	6.820							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Wasatch MURD	6,836	8,956			8,878 8,956		3/spf	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(B)					8,584 8,821		2/spf	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)					8,262 8,494		2/spf	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)					7,936 8,202		2/spf	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
8878-8956	48,381 GALS GELLED WATER & 133,300# 20/40 SAND
8584-8821	56,613 GALS GELLED WATER & 170,657# 20/40 SAND
8262-8494	47,709 GALS GELLED WATER & 132,000# 20/40 SAND

29. ENCLOSED ATTACHMENTS:

- | | | | |
|---|--|---------------------------------------|---|
| <input type="checkbox"/> ELECTRICAL/MECHANICAL LOGS | <input type="checkbox"/> GEOLOGIC REPORT | <input type="checkbox"/> DST REPORT | <input type="checkbox"/> DIRECTIONAL SURVEY |
| <input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION | <input type="checkbox"/> CORE ANALYSIS | <input type="checkbox"/> OTHER: _____ | |

30. WELL STATUS:

Producing

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31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 4/27/2006	TEST DATE: 5/1/2006	HOURS TESTED: 24	TEST PRODUCTION RATES: →	OIL – BBL: 12	GAS – MCF: 441	WATER – BBL: 336	PROD. METHOD: FLOWS
CHOKE SIZE: 12/64"	TBG. PRESS. 1,600	CSG. PRESS. 2,700	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

Sold

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Wasatch Mesaverde	6,836	8,956		Wasatch Mesaverde Sequo	4.670 6.802 8.981

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Operations Clerk

SIGNATURE

DATE 7/5/2006

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

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DIV. OF OIL, GAS & MINING

East Chapita 7-16 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

7705-7850	2/spf
7551-7660	2/spf
7096-7345	3/spf
6836-7035	2/spf

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

7936-8202	60,225 GALS GELLED WATER & 192,800# 20/40 SAND
7705-7850	55,941 GALS GELLED WATER & 169,400# 20/40 SAND
7551-7660	68,331 GALS GELLED WATER & 239,000# 20/40 SAND
7096-7345	59,553 GALS GELLED WATER & 191,900# 20/40 SAND
6836-7035	72,027 GALS GELLED WATER & 237,300# 20/40 SAND

Perforated the Lower Price River from 8878-79', 8894-95', 8918-20', 8927-30', 8934-36', 8943-44' & 8954-56' w/ 3 spf.

Perforated the Lower Price River from 8584-85', 8648-49', 8682-84', 8694-96', 8704-06', 8778-80', 8792-93', 8806-07' & 8819-21' w/ 2 spf.

Perforated the Middle Price River from 8262-63', 8284-85', 8304-05', 8323-24', 8343-44', 8360-61', 8368-70', 8388-89', 8432-33', 8458-60', & 8492-94' w/ 2 spf.

Perforated the Middle Price River from 7936-38', 7944-46', 7975-76', 8063-64', 8085-87', 8119-21', 8134-35', 8194-96', & 8201-02' w/ 2 spf.

Perforated the Middle Price River from 7705-06', 7715-17', 7731-32', 7741-42', 7759-60', 7774-76', 7784-86', 7793-94', 7805-06' & 7849-50' w/ 2 spf.

Perforated the Middle Price River from 7551-52', 7561-63', 7581-82', 7596-98', 7601-02', 7619-21', 7629-30', 7644-46' & 7658-60' w/ 2 spf.

Perforated the Upper Price River from 7096-97', 7142-43', 7190-92', 7200-02', 7274-76', 7300-02' & 7343-45' w/ 3 spf.

Perforated the Upper Price River from 6836-37', 6851-52', 6871-73', 6880-82', 6893-95', 6978-79', 6992-94', 6998-7000' & 7034-35' w/ 2 spf.

RECEIVED

JUL 07 2006

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47045
2. NAME OF OPERATOR: EOG RESOURCES, INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P.O. BOX 1815 CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2081 FSL 834 FEL 40.034394 LAT 109.325486 LON		8. WELL NAME and NUMBER: EAST CHAPITA 7-16
PHONE NUMBER: (307) 276-4842		9. API NUMBER: 43-047-36814
10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES		

FOOTAGES AT SURFACE: **2081 FSL 834 FEL 40.034394 LAT 109.325486 LON**

COUNTY: **UINTAH**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NESE 16 9S 23E S**

STATE: **UTAH**

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input checked="" type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	
	<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:		

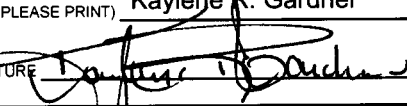
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. respectfully requests permission to recomplete the referenced well in the Wasatch formation commingling production in the Wasatch and Mesaverde formations as follows:

1. Perforate the North Horn/Island from 6554-55', 6563-64', 6660-62', 6687-88', 6698-99', 6744-46', 6757-59', 6786-88' & 6795-97' w/2 SPF. Fracture stimulate with 1100 bbls gelled water & 149,100 # 20/40 sand.
2. Perforate the Wasatch/Ba from 6052-53', 6059-60', 6063-64', 6076-77', 6099-6100', 6109-10', 6163-64', 6210-11', 6217-19', 6224-25', 6235-36', 6244-45' & 6279-80' w/2 SPF. Fracture stimulate with 427 bbls gelled water & 55,650 # 20/40 sand.
3. Perforate the Wasatch/Ca from 5421-25', 5583-85', 5694-96' & 5730-31' w/3 SPF. Fracture stimulate with 468 bbls gelled water & 70,350 # 20/40 sand.
4. Perforate the Wasatch/Ca from 5252-53', 5268-70', 5272-74', 5302-06' & 5310-11' w/3 SPF. Fracture stimulate with 490 bbls gelled water & 76,650 # 20/40 sand.
5. Perforate the Wasatch/Pp from 5164-65', 5178-80', 5185-87' & 5192-96' w/3 SPF. Fracture stimulate with 489 bbls gelled water & 76,650 # 20/40 sand.

Return to sales commingling production in the Wasatch and Mesaverde formations.

COPY SENT TO OPERATOR
DATE: 6/15/06
INITIALS: RM

NAME (PLEASE PRINT) Kaylene R. Gardner	TITLE Regulatory Assistant
SIGNATURE 	DATE 6/15/2006

(This space for State use only)

**APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING**
DATE: 7/5/06
BY: [Signature]

(See Instructions on Reverse Side)

**RECEIVED
JUN 16 2006**

DIV. OF OIL, GAS & MINING



February 2, 2007

43-047-30814
169523e
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FEB 0 / 2007

DIV. OF OIL, GAS & MINING

EOG Resources, Inc.
600 Seventeenth St., Ste. 1100 N
Denver, CO 80202
(303) 572-9000
Fax (303) 824-5400

Utah Division of Oil, Gas & Mining
1594 West North Temple
P.O. Box 145801
Salt Lake City, UT 84114-5801

RE: East Chapita #007-16
T09S-R22E-Sec.16
Uintah, Utah

Gentlemen:

Enclosed herewith are the following logs and data associated with the subject well:

Cement Bond Log Temperature Log Gamma Ray Collar Log
RST Sigma Mode Gamma Ray Collar Log

If you have any questions, please do not hesitate to contact me.

Very truly yours,

EOG RESOURCES, INC.

Delores Montoya
Exploration & Operations Senior Secretary
Denver Office

Enc.
Cc: Well File

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER _____

2. NAME OF OPERATOR:
EOG Resources, Inc.

3. ADDRESS OF OPERATOR:
600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202

PHONE NUMBER:
(303) 262-2812

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-47045

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:
East Chapita 7-16

9. API NUMBER:
43-047-36814

10. FIELD AND POOL, OR WLDGAT:
Natural Buttes/Wasatch/Mesaverd

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2,081' FSL & 834' FEL 40.034394 LAT 109.325486 LON

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 16 9S 23E S.L.B. & M.

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Commingling</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG recompleted the referenced well commingling the Wasatch and Mesaverde formations as per the attached Operations Summary Report.

The well was returned to sales 8/24/2006.

NAME (PLEASE PRINT) Carrie MacDonald

TITLE Operations Clerk

SIGNATURE

DATE 4/19/2007

(This space for State use only)

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APR 20 2007

PERC**OPERATIONS SUMMARY REPORT**

WELL NAME: ECW 007-16
 RIG NAME: TRUE #27
 FIELD NAME: CHAPITA WELLS DEEP
 EVENT NO.: 1

AFE NO: 303477
 WELL ID NO.: 057264
 API NO.: 43-047-36814
 EVENT DESC.: DRILL & COMPLETE

DATE: 8/19/2006 DSS: 33 DEPTH: 9,075 MUD WT: CUM COST TO DATE: 1,620,432.40

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
11.50	C	OT		<p>SICP 1100 PSIG. RUWL. SET 10K AT CBP 6827'. PERFORATED NORTH HORN/ISLAND FROM 6795'-97', 6786'-88', 6757'-59', 6744'-46', 6698'-99', 6687'-88', 6660'-62', 6563'-64' & 6554'-55' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTON T-106, 4170 GAL YF125ST+ PAD, 51450 GAL YF125ST+ & YF120ST+ WITH 150500# 20/40 SAND @ 1-6 PPG. MTP 3421 PSIG. MTR 36.2 BPM. ATP 3018 PSIG. ATR 35.9 BPM. ISIP 2150 PSIG. RD SCHLUMBERGER.</p> <p>RUWL. SET 10K CFP AT 6310'. PERFORATED Ba FROM 6279'-80', 6244'-45', 6235'-36', 6224'-25', 6217'-19', 6210'-11', 6163'-64', 6109'-10', 6099'-6100', 6076'-77', 6063'-64', 6059'-60' & 6052'-53' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 2,511 GAL YF125ST+ PAD, 18858 GAL YF125ST+ & YF120ST+ WITH 55900# 20/40 SAND @ 1-8 PPG. MTP 3239 PSIG. MTR 31.7 BPM. ATP 2407 PSIG. ATR 30.8 BPM. ISIP 1580 PSIG. RD SCHLUMBERGER.</p> <p>RUWL. SET 10K CFP AT 5761'. PERFORATED Ca FROM 5730'-31', 5694'-96', 5583'-85' & 5421'-25' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 2496 GAL YF125ST+ PAD, 20202 GAL YF125ST+ & YF120ST+ WITH 69206# 20/40 SAND @ 1-8 PPG. MTP 3932 PSIG. MTR 30.4BPM. ATP 2869 PSIG. ATR 29.8 BPM. ISIP 1970 PSIG. RD SCHLUMBERGER.</p> <p>RUWL. SET 10K CFP AT 5341'. PERFORATED Ca FROM 5310'-11', 5302'-06', 5272'-74', 5268'-70', 5252'-53' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 2509 GAL YF125ST+ PAD, 21336 GAL YF125ST+ & YF120ST+ WITH 77801# 20/40 SAND @ 1-8 PPG. MTP 2957 PSIG. MTR 30.3 BPM. ATP 2712 PSIG. ATR 29.4 BPM. ISIP 2190 PSIG. RD SCHLUMBERGER.</p> <p>RUWL. SET 10K CFP AT 5226'. PERFORATED PP FROM 5192'-96', 5185'-87', 5178'-80' & 5164'-65' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 2497 GAL YF125ST+ PAD, 20370 GAL YF125ST+ & YF120ST+ WITH 71344# 20/40 SAND @ 1-8 PPG. MTP 3098 PSIG. MTR 29.5 BPM. ATP 2604 PSIG. ATR 29.2 BPM. ISIP 2310 PSIG. RD SCHLUMBERGER.</p> <p>RUWL. SET 10K CBP AT 5130'. RDWL. SDFW.</p>

DATE: 8/22/2006 DSS: 34 DEPTH: 9,075 MUD WT: CUM COST TO DATE: 1,627,457.40

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
12.50	C	OT		<p>SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5130', 5226', 5341', 5761', 6310', 6827'. NOTE: CIRCULATED WELL BEFORE DRILLING PLUG @ 6827' W/CASING CIRCULATING PRESSURE @ 250 PSIG. PRESSURE DROPPED TO 0 PSIG IMMEDIATELY AS WE WENT THRU PLUG. PUSH PLUGS & CLEANED OUT TO 8874'. POH. LAYING 68 JTS DOWN AND STANDING BACK 106 STANDS. SECURE WELL. SDFN.</p>

DATE: 8/23/2006 DSS: 35 DEPTH: 9,075 MUD WT: CUM COST TO DATE: 1,631,457.40

PERC^Y**OPERATIONS SUMMARY REPORT**

WELL NAME: ECW 007-16
 RIG NAME: TRUE #27
 FIELD NAME: CHAPITA WELLS DEEP
 EVENT NO.: 1

AFE NO: 303477
 WELL ID NO.: 057264
 API NO.: 43-047-36814
 EVENT DESC.: DRILL & COMPLETE

DATE: 8/23/2006 DSS: 35 DEPTH: 9,075 MUD WT: CUM COST TO DATE: 1,631,457.40

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
4.00	C	OT		SICP 400 PSIG. PUMPED 20 BBLS TREATED WATER DOWN TBG. RIH. LANDED TBG AT 6819' KB. ND BOPE. NU TREE.

FLOWED 19 HRS ON 24/64" CHOKE, FTP 550 PSIG, CP 1550 PSIG, 47 BFPH. RECOVERED 822 BLW, 2480 BLWTR.

TUBING DETAIL	LENGTH
NOTCHED COLLAR	.40'
1 JT 2-3/8" 4.7# N80 TBG	31.68'
XN NIPPLE	1.10'
212 JTS 2-3/8" 4.7# N80 TBG	6773.57'
BELOW KB	13.00'
LANDED @	6819.75' KB

DATE: 8/24/2006 DSS: 36 DEPTH: 9,075 MUD WT: CUM COST TO DATE: 1,633,882.40

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
24.00	C	OT		FLOWED 24 HRS ON 24/64" CHOKE, FTP 600 PSIG, CP 1400 PSIG, 26 BFPH. RECOVERED 796 BLW, 1618 BLWTR. SI. RETURN TO PRODUCTION.

DATE: 8/30/2006 DSS: 37 DEPTH: 9,075 MUD WT: CUM COST TO DATE: 1,636,307.40

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
24.00	C	OT		FLOWED 686 MCF, 5 BO & 240 BW IN 24 HRS ON 18/64" CHOKE, TP 900 PSIG, CP 1550 PSIG.

DATE: 8/31/2006 DSS: 38 DEPTH: 9,075 MUD WT: CUM COST TO DATE: 1,638,732.40

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
24.00	C	OT		FLOWED 683 MCF, 5 BO & 240 BW IN 24 HRS ON 18/64" CHOKE, TP 900 PSIG, CP 1550 PSIG.

DATE: 9/1/2006 DSS: 39 DEPTH: 9,075 MUD WT: CUM COST TO DATE: 1,641,157.40

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
24.00	C	OT		FLOWED 690 MCF, 5 BO & 240 BW IN 24 HRS ON 18/64" CHOKE, TP 900 PSIG, CP 1550 PSIG.

DATE: 9/5/2006 DSS: 40 DEPTH: 9,075 MUD WT: CUM COST TO DATE: 1,641,157.40

HOURS	PH	OP	ACT	ACTIVITY DESCRIPTION
24.00	C	OT		9/2/06: FLOWED 660 MCF, 6 BO & 258 BW IN 24 HRS ON 18/64" CHOKE, TP 900 PSIG, CP 1550 PSIG.
				9/3/06: FLOWED 805 MCF, 6 BO & 258 BW IN 24 HRS ON 18/64" CHOKE, TP 900 PSIG, CP 1550 PSIG.
				9/4/06: FLOWED 595 MCF, 13 BO & 143 BW IN 24 HRS ON 18/64" CHOKE, TP 850 PSIG, CP 1525 PSIG.
				9/5/06: FLOWED 527 MCF, 6 BO & 141 BW IN 24 HRS ON 18/64" CHOKE, TP 900 PSIG, CP 1400 PSIG.

FINAL REPORT

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

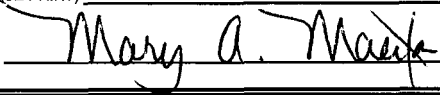
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47045
2. NAME OF OPERATOR: EOG Resources, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (303) 824-5526		8. WELL NAME and NUMBER: East Chapita 7-16
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2,081' FSL & 834' FEL 40.034394 LAT 109.325486 LON		9. API NUMBER: 43-047-36814
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 16 9S 23E S.L.B. & M.		10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch/Mesaverd
COUNTY: UINTAH		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input checked="" type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

All material, debris, trash, and junk was removed from the location. The reserve pit was reclaimed. Stockpiled topsoil was spread over the pit area and broadcast seeded with the prescribed seed mixture. The seeded area was then walked down with a cat. Interim reclamation was completed on 4/26/2008.

NAME (PLEASE PRINT) Mary A. Maestas	TITLE Regulatory Assistant
SIGNATURE 	DATE 1/8/2009

(This space for State use only)

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JAN 12 2009

DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47045
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: E CHAPITA 7-16	
2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047368140000	
3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1000 N, Denver, CO, 80202	PHONE NUMBER: 435 781-9111 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2081 FSL 0834 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 16 Township: 09.0S Range: 23.0E Meridian: S		COUNTY: UINTAH
		STATE: UTAH

11.

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 4/9/2012	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <u>Measurement variance propd</u>
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

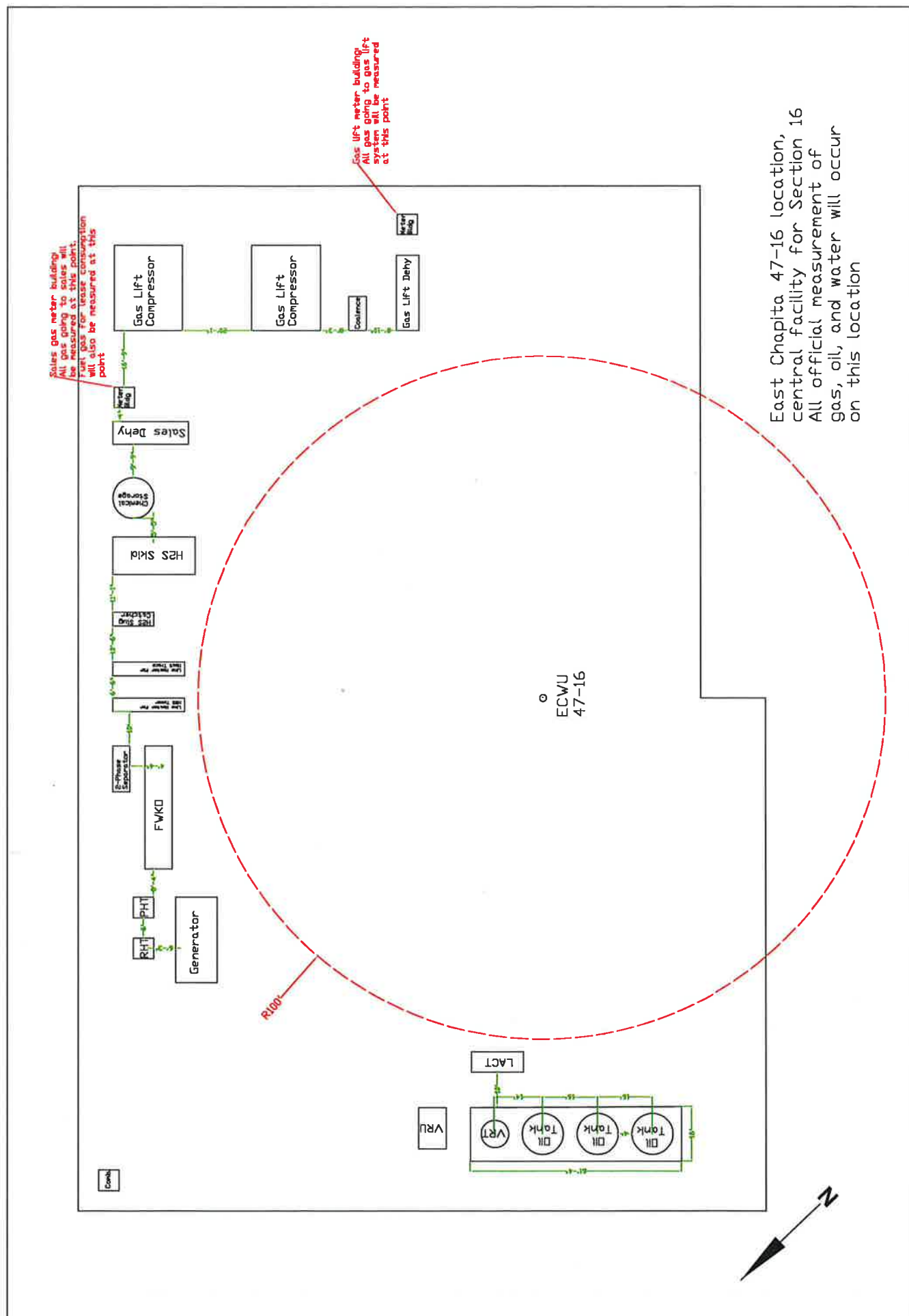
EOG Resources, Inc. respectfully requests authorization to measure and allocate produced gas, condensate and water production as per the attached proposal.

**Approved by the
Utah Division of
Oil, Gas and Mining**

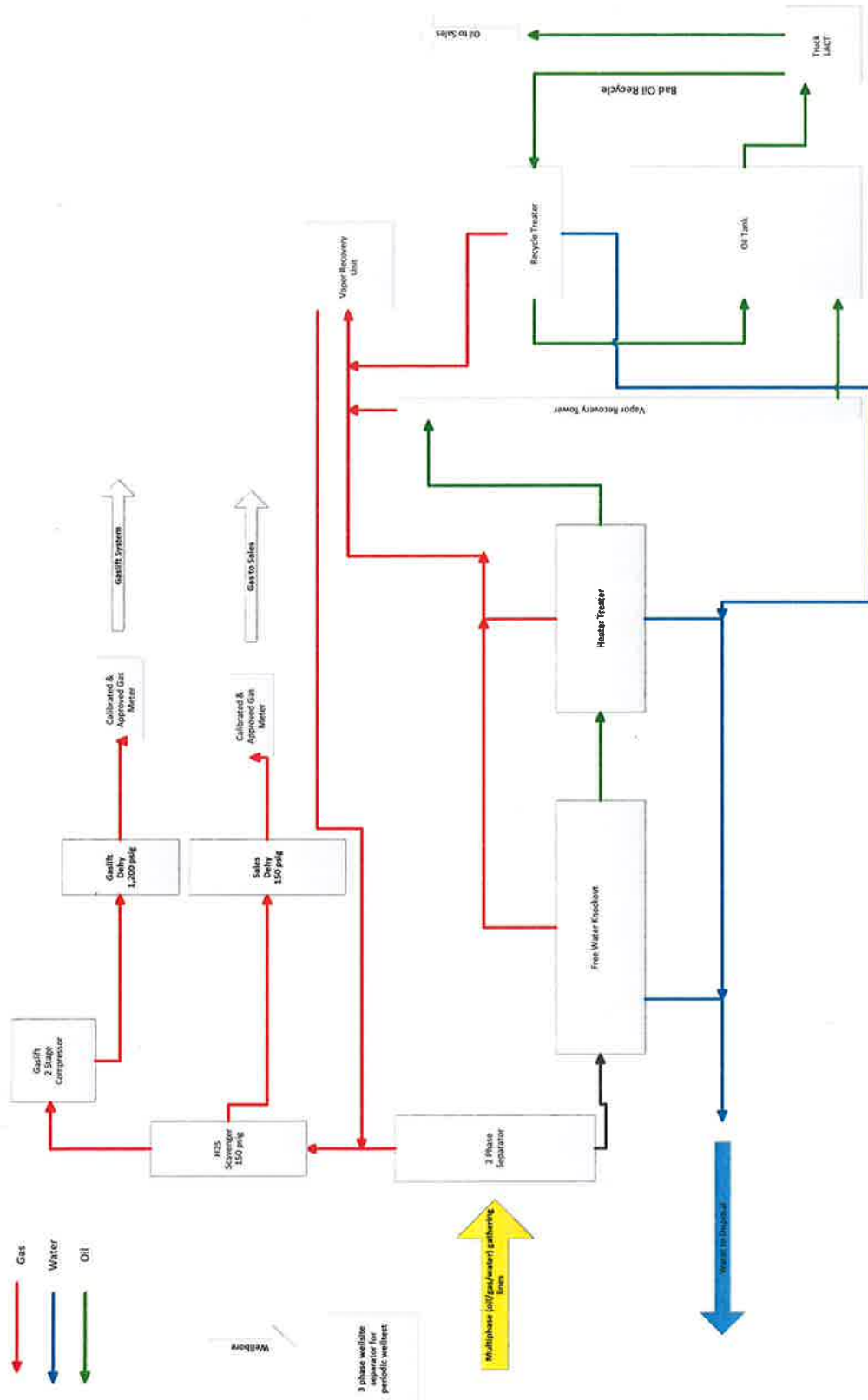
Date: May 11, 2012

By: *D. K. Duff*

NAME (PLEASE PRINT) Mickenzie Gates	PHONE NUMBER 435 781-9145	TITLE Operations Clerk
SIGNATURE N/A		DATE 4/9/2012



East Chapita 47-16 location, 16 central facility for Section 16 All official measurement of gas, oil, and water will occur on this location







EOG Resources, Inc.
1060 E Hwy 40
Vernal, Utah 84078

FedEx
7933 4391 7041

March 14, 2012

Division of Natural Resources
Utah Division of Oil, Gas, and Mining
Attn: Dustin Doucet, Randy Thackery
1594 West North Temple, Suite 1210
Salt Lake City, UT 84116

RE: Central Facility - Gathering System
Hydrocarbon Measurement Proposal
Section 16 T9S R23E
Uintah County, Utah

Gentlemen:

EOG Resources has submitted a proposal to the School and Institutional Trust Land Administration (SITLA) to install a Central Production Facility / Gathering System for Lease ML-47045. The facility will be located in the SWNE of Section 16, Township 09 South, Range 23 East, on an expanded East Chapita Wells (ECW) 47-16 well location. As you are aware, we have been producing a couple of the wells (ECW 103-16 and ECW 106-16) in section 16 utilizing gas lift operations to enhance production from the wells and have been encouraged with the results of that operation. Based on that fact, we intend to incorporate gas compression into Central Production Facility where we can process the gas, compress it and then send dry gas back to the wells for enhanced recovery via gas lift operations. All of the gas that we use for gas lift operations will be pulled out of the gathering system prior to the measurement point at the Central Facility. We believe that by moving our operations to a central facility, we can reduce air emissions, lower our operating costs (eliminating water hauling by pumping the water to the Coyote disposal facility located in Section 16), enhance our production and ultimately extend the life of the wells. At this time, we intend to measure all production from Lease ML-47045 at the central facility except for the production from ECW 59-16 well which will be measured on location utilizing the existing orifice meter for gas measurement and tank gauging for condensate and water measurement. Currently, the ECW 59-16 well is the only well in Section 16 that is located north of Coyote Wash and we would have to cross the wash to bring the well into the central facility. Eventually, as we continue to develop the lease we would bring the ECW 59-16 well into the central facility. At this time, we intend to leave the existing separator / dehydrator units on location in order to test our wells.

Therefore, EOG Resources would like to propose the following methods to measure the gas, condensate and water production from the aforementioned lease (except for the ECW 59-16) and



EOG Resources, Inc.
1060 E Hwy 40
Vernal, Utah 84078

the methods that we would like to use to measure and allocate production back to the remaining producing wells in the lease.

Gas Measurement – all gas leaving the lease from the central facility will be measured using an electronic flow meter (EFM) with orifice plate that is compliant with American Gas Association No. 3 (AGA) standards and State of Utah Regulations (R649-2-8). This meter will be calibrated on a quarterly basis.

Allocation Method – In an effort to reduce emissions, we intend to produce the wells directly into the gathering system. At least initially, we intend to leave the existing Separator / Dehydrator unit in place and utilize the existing EFM to test the wells on a quarterly basis. This will allow us to allocate production back to the individual wells based on well tests. Each well test will be run for a minimum of 24 hours. Therefore, we propose to allocate gas production to each well by totalizing the results of the well tests for every well and then utilize the results of each individual well to determine a percentage of the total that each well contributes to the total. We will take that percentage for each well and multiply it times the total production that is measured leaving the lease at the central facility on a daily basis. That gas volume will be allocated back to each well and will be reported on a monthly basis.

Gas Lift Operations – Every well in the lease will be evaluated on a case by case basis as to the viability to add gas lift operations to the well. We would like to propose, that for each well that we decide to convert to gas lift or the wells where we have already installed gas lift operations, to measure the injected gas via an EFM (orifice or v-cone) meter at the well site. Therefore, for each well that has had gas lift installed, the volume used for the percentage calculation for allocation to each well will be determined by subtracting the injected volume (per 24 hour period) from the produced volume that was determined during the well test for each well.

Oil / Condensate / Water Measurement – all condensate produced will be sold at the central facility via a Lease Automatic Custody Transfer (LACT) meter. The LACT meter will be proven on a quarterly basis. All water produced will be measured by a master (turbine) meter at the central facility prior to entering the pipeline that goes to the Coyote Saltwater Disposal Facility that is located within the lease boundary.

Allocation Method – We intend to install turbine meters on the dumps in the existing Separator / Dehydrator unit at each well so that we can accurately measure the condensate and water production from each well during the well tests. Therefore, we propose to allocate condensate and water production to each well by totalizing the results of the well tests for every well and then utilize the results of each individual well to determine a percentage of the total that each well contributes to the total. We will take that condensate percentage from each well and multiply it times the total condensate sold at the central facility per month for the allocated condensate production for each well and take the water percentage from each well and multiply it times water volume that is measured per month via the master meter that is located at the central facility for the allocated water production for each well. Those condensate and water volumes will be allocated back to each well and will be reported on a monthly basis.



EOG Resources, Inc.
1060 E Hwy 40
Vernal, Utah 84078

I look forward to hearing from you soon regarding our proposal. If you need any other information from me, I can be reached at (435) 781-9100 (office) or (435) 828-8236 (cell).

Sincerely,

A handwritten signature in blue ink, appearing to read "Ed Forsman", written over a horizontal line.

Ed Forsman
Production Engineering Advisor
EOG Resources – Vernal Operations

cc: Ted Kelly – Big Piney Office
Jim Schaefer – Denver Office
Denver file

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES Operator Account Number: N 9550
Address: 600 17th St., Ste. 1000N
city Denver
state CO zip 80202 Phone Number: (303) 824-5590

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36814	EAST CHAPITA 7-16		NESE	16	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
D	15204	18940	2/20/2006			3/12/2013	
Comments:							
3/12/13							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39203	EAST CHAPITA 56-16		SWNW	16	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
D	16786	18940	4/10/2008			3/12/2013	
Comments:							
3/12/2013							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

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ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Vail Nazzaro

Name (Please Print)

Vail Nazzaro

Signature

Senior Regulatory Assistant

3/8/2013

Title

Date